



STATE OF MICHIGAN CENTRAL PROCUREMENT SERVICES

Department of Technology, Management, and Budget

525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 7

to

Contract Number 071B6600081

CONTRACTOR	CORIZON HEALTH INC
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	mason.gill@corizonhealth.com
	CV0007358

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-335-2076	
		sherrym@michigan.gov	
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY				
INTEGRATED PRISONER HEALTHCARE - MDOC				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 15		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input checked="" type="checkbox"/>	120 days	September 28, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$715,733,760.00	\$0.00	\$715,733,760.00		
DESCRIPTION				
Effective January 25, 2021, this contract is hereby extended 120 days (Standard Contract Terms - #25 Transition Responsibilities). The revised contract expiration date is 9/28/21.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.				



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CONTRACT CHANGE NOTICE

Change Notice Number **6**

to

Contract Number **071B6600081**

CONTRACTOR	CORIZON HEALTH INC
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	mason.gill@corizonhealth.com
	CV0007358

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-335-2076	
		sherrym@michigan.gov	
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY

INTEGRATED PRISONER HEALTHCARE - MDOC

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 15		NA	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

NA

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$715,733,760.00	\$0.00	\$715,733,760.00		

DESCRIPTION

Effective December 1, 2020, the below is hereby added as requirement e. in Exhibit A, Section 3.1 B. 5. "Substance Abuse Assessment and Treatment Services":

The Contractor is responsible for the medical management for individuals that are inducted on Medications for Addiction Treatment (MAT) or continued on MAT upon arrival at the facility, along with managing offenders in withdrawal from substances of abuse. The Contractor must require all their staff to prescribe MAT as appropriate, including requiring them to become and maintain/remain waived by the Food and Drug Administration (FDA) to prescribe buprenorphine medications. The Contractor is responsible for educating their staff on evidenced-based treatment for substance use disorders to decrease stigma surrounding MAT and increase their skill set. The Contractor must provide an individualized care plan for those patients with a substance use disorder who they prescribe medications for. The plan must assess the appropriateness of the medication, and whether it is safe and effective given any comorbidities.

1.All Contractor's prescribers must be waived for MAT prescriptions by the FDA no later than February 1, 2021, unless an exception has been approved by the MDOC Substance Abuse Services Manager or designee.

2The Contractor must have 100% of its providers MAT trained no later than December 31, 2020.

3The Contractor must submit to MDOC a plan subject to MDOC approval that addresses how the Contractor will provide

services at facilities that are without MAT waived providers between the period of December 31, 2020 and February 1, 2021.

4. The Contractor must provide MDOC weekly updates of its MAT prescriber waiver progress. Weekly updates must include:

- The number and location of providers who have gained MAT waivers
- Contractor's schedule of pending MAT waiver submissions
- The schedule of pending and completed provider MAT training provided by the Substance Abuse and Mental Health Services Administration for Contractor's prescribers

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.



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CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **071B6600081**

CONTRACTOR	CORIZON HEALTH INC
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	mason.gill@corizonhealth.com
	CV0007358

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-335-2076	
		sherrym@michigan.gov	
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY				
INTEGRATED PRISONER HEALTHCARE - MDOC				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
		N/A		
ALTERNATE PAYMENT OPTIONS				EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$715,733,760.00	\$0.00	\$715,733,760.00		
DESCRIPTION				
<p>Effective April 1, 2020, please note the following revision to Section 3.1 Q. 2. and 6.:</p> <p>In response to COVID19, the following changes in processes and procedures for MDOC facilities and Prisoners is implemented. For the Month of April and May 2020 (April 1, 2020 to May 31, 2020), all parolee medications will be increased to 60-days. Reinstatement of the 30-day supply or a time extension to the 60-day supply requirement will be completed through written request by either Contractor or MDOC (via Program Manager), and if mutually agreed upon can be effective without an official Change Notice.</p> <p>All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.</p>				



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CONTRACT CHANGE NOTICE

Change Notice Number **4**

to

Contract Number **071B6600081**

CONTRACTOR	Corizon Health, Inc.
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	mason.gill@corizonhealth.com
	CV0007358

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-335-2076	
		sherrym@michigan.gov	
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY

INTEGRATED PRISONER HEALTHCARE - MDOC

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	
		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$715,733,760.00	\$0.00	\$715,733,760.00		

DESCRIPTION

Effective October 21, 2019 the below is hereby added as requirement 8 in Section 3.1 W. "Other Requirements":

Medication Assisted Treatment (MAT) Laboratory Services

1. The Contractor's laboratory subcontractor must conduct any testing for all offenders participating in the MAT program as required by the MDOC MAT Coordinator or designee.
2. All tests for the MAT program will be identified and labeled by the MDOC to differentiate from the day-to-day laboratory tests.
3. All charges for the MAT laboratory testing services must be billed separately to the MDOC. These charges are not to be included in the PPPM or a part of the risk share component.

Additionally, Standard Contract Terms - The Contractor Notice person has changed to Mike Murphy, SVP
(Mike.Murphy@corizonhealth.com)

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.

STATE OF MICHIGAN

CENTRAL PROCUREMENT SERVICES

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CONTRACT CHANGE NOTICE

Change Notice Number **3**

to

Contract Number **071B6600081**

CONTRACTOR	Corizon Health, Inc.
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	mason.gill@corizonhealth.com
	CV0007358

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-335-2076	
		sherrym@michigan.gov	
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY

INTEGRATED PRISONER HEALTHCARE - MDOC

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	
		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$715,733,760.00	\$0.00	\$715,733,760.00		

DESCRIPTION

Effective June 3, 2019 this contract is amended as follows:

Exhibit A (Statement of Work) is hereby updated per the attached. NOTE: Language no longer needed has a strikethrough.

Additionally, Standard Contract Terms, Section 41 Nondiscrimination is hereby deleted and replaces with the following: 41. Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and Executive Directive 2019-09. Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB

Exhibit A – Statement of Work: 4.2 Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must provide a letter of intent for all subcontractors they are proposing to utilize. These letters are due with the proposal. The Contractor must also disclose the following:

1. The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
2. The relationship of the subcontractor to the Contractor.
3. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
4. A complete description of the Contract Activities that will be performed or provided by the subcontractor.

SUBCONTRACTOR NAME	ADDRESS/PHONE /CONTACT/EMAIL	DESCRIPTION OF SERVICE AND SUBCONTRACTOR ORGANIZATION	RELATIONSHIP WITH CONTRACTOR
Allegiance Health (W.A. Foote Memorial Hospital)	205 N. East Avenue Jackson, MI 49201 P/(517) 205-7410 Kara Secord ksecord3@hfhs.org	Hospital Care: Allegiance Health is a community-owned and locally governed health system comprised of more than 40 different facilities serving south central Michigan. A 480-bed system, Allegiance has a full range of inpatient and outpatient services.	Subcontractor to Contractor, 2009 to Present.
AMBS Call Center	338 West Franklin Street Jackson, MI 49204-1325 (517) 780-4618 Amanda Antelo amanda@ambscallcenter.com	24-Hour On-Call Service: AMBS Call Center, available 24/7/365, provides Medical Call Center Services across the continuum of care, including answering services.	Subcontractor to Contractor, 2010 to Present.
Hanger Prosthetics and Orthotics	744 West Michigan Ave., Suite 100A Jackson, MI 49201 1-877-754-6542 Chris Crawley ccrawley@linkia.com	Orthotics/Prosthetics	Subcontractor to Contractor, 2009 to Present.
Blue Cross Blue Shield of Michigan	600 E. Lafayette Blvd Detroit, MI 48226 (313) 448-7910 Yvonne Moore yvonne@bcbsm.com	Off-Site Services: BCBSM is a nonprofit organization, providing and administering health benefits to more than 4.5 million members residing in Michigan in addition to members of Michigan-headquartered groups who reside outside the state. With 150 hospitals and nearly 30,000 physicians, the Michigan Blues network is the largest in the state.	Subcontractor to Contractor, 2010 to Present.
Cardon & Sorrow, PLC	683 Robinson Road Jackson, MI 49203 (517) 787-0417 Erika Wright erikaw@drardon.com	Oral Surgery: Cardon & Sorrow have provided oral and maxillofacial surgery in the Jackson area for over 11 years.	Subcontractor to Contractor, 2010 to Present.
Cedar Straits Medical Association, PC	500 Osborn Boulevard Sault St. Marie, MI 49783 P/(906) 635-4472 Ralph J. Duman, MD rjduman@gmail.com	X-Ray/Radiology Interpretation: Cedar Straits Medical Association, PC provides radiology services with a specialization in vascular & interventional radiology.	Subcontractor to Contractor, 2012 to Present.
CharDonnay Dialysis, Inc.	807 W. Fairchild Danville, IL 61832 (217) 477-1490 Joe Burke Joe.Burke@chardondaydialysis.net	Dialysis: CharDonnay Dialysis, Inc. (CDI) was formed in May 1994, and has been a woman-owned enterprise since inception. To date, dialysis services are provided at 39 different locations in 17 different states. All CDI dialysis services are located in correctional facilities.	Subcontractor to Contractor, 2004 to Present.

John R. Downs, DDS, MS	N8778 Five Mile Point Rd. Munising, MI 49862 (906) 387-3389 John R. Downs, DDS Downs.j@att.net	Oral-Maxillofacial Surgery: Dr. Downs is a Michigan-licensed dentist practicing oral and maxillofacial surgery.	Subcontractor to Contractor, 2011 to Present.
Emergency Medicine Consultants, PC	Jackson, MI Greg Fuller (517) 787-7976	Emergency Services: Emergency Medical Consultants provides consulting and staffing solutions for hospitals, urgent care centers and emergency rooms.	Subcontractor to Contractor, 2009 to Present.
Endevis Recruiting & Retention	Amy Crosslin (419) 517-6881	Recruiting Agency	Subcontractor to Contractor, 2019 to Present
Garcia Laboratory	2195 Spring Arbor Road Jackson, MI 49203 (517) 787-9200 Mary Garcia/Jeff Peterson jpeterson@garcialab.com	Lab Services: Garcia Laboratory is a full service lab offering services to physicians and prison sites across the country. A certified woman-owned business, Garcia is accredited by CLIA and CAP and currently provides laboratory services to over 308,000 lives in nearly 300 facilities in 36 states.	Subcontractor to Contractor, 2005 to Present.
Global Diagnostic Services, Inc.	2066 Eastside Drive Bldg. C. Suite 200 Conyers, GA 30013 Marc Upshaw (770) 602-0502 marcupshaw@globaldiagnostic.net	Ultrasound: Global Diagnostic Services (GDS) is one of the largest providers of mobile on-site ultrasound and x-ray services. GDS performs the latest high technology diagnostic evaluations that are digitally transmitted to a Board Certified Radiologist with results returned with 48-hours or immediately if significant abnormalities are present.	Subcontractor to Contractor, 2009 to Present.
Thomas J. Haverbush, MD	315 E. Warwick, Suite A Alma, MI 48801 (989) 463-6092 Thomas Haverbush	Orthopedic Surgery: Dr. Haverbush is a Michigan-licensed physician specializing in orthopedic surgery.	Subcontractor to Contractor, 2009 to Present.
Jackson Orthopaedic Care & Surgery	200 Summit Avenue Suite A Jackson, MI 49204 (517) 784-1187 Khawaja Ikram kmikramcpa@modempool.com	Orthopaedic Surgery: Jackson Orthopaedic Care & Surgery specializes in the treatment of injuries and diseases of bones, joints and their related structures such as muscles, tendons and nerves. The practice physicians treat people of all ages to correct problems caused by accidents, sports injuries, degenerative diseases such as arthritis, and other disabilities.	Subcontractor to Contractor, 2009 to Present.
Locumtenens.com	Jackie Mask (770) 643-5767	Locums Agency	Subcontractor to Contractor, April 2019 to Present
Mathew Page, DPM	1830 Eagle Point Road Clarklake, MI 49234 (517) 784-0900 Matthew Page, DPM mptmp@aol.com	Podiatry: Dr. Page is a member of the Summit Podiatry group. Board certified by the American Board of Podiatric Medicine and Surgery, Dr. Page is a graduate of the University of Osteopathic Medicine & Health Sciences, College of Podiatric Medicine.	Subcontractor to Contractor, 2009 to Present.
McKesson Medical-Surgical	Golden Valley, MN 630-945-7018 Tony Nudo	Medical Supplies: McKesson Medical-Surgical provides medical-surgical supplies, medical equipment and health care technology-related services to the alternate site market, including physician offices, surgery centers, long-term care	Subcontractor to Contractor, 2011 to Present.

	Tony.Nudo@McKesson.com	facilities and home care businesses across the country. The company distributes more than 350,000 medical-surgical products, serving more than 50% of American hospitals, 20% of U.S. physicians and 96% of the top 25 health plans.	
Michigan Radiology Consultants	3599 Creole Way Holt, MI 48842 (517) 393-8712 Michael A. Henderson, DO doctorhendy@yahoo.com	X-ray/ Radiology/ Interpretation: Michigan Radiology Consultants provide diagnostic radiology services. They currently have a staff of two physicians and have been in operation since 1994 servicing corrections since 1995.	Subcontractor to Contractor, 2009 to Present.
Mobilex	24301 Telegraph Road Southfield, MI 48033 (262) 339-7460 Paula Duebner Paula.duebner@mobilexusa.com	Mobile X-Ray: Mobilex provides mobile x-ray and ultrasound-electrocardiogram and other ancillary services to more than 7,000 facilities across the country.	Subcontractor to Contractor, 2009 to Present.
Mobile Medical Pros, PLLC.	10503 Maumelle Blvd. Ste. 4B North Little Rock, AR 72113 Ph: (303)656-9758 Patrick Roberts Patrick@onsiteendo.com	Physician services for onsite GI clinics	Subcontractor to Contractor, September 2018 to Present
Nichols Optical, Inc.	336 W. Front Street Traverse City, MI 49684 (231) 941-5440 Roy C. Nichols nicholsoptical@nicholsoptical.net	Optometry: With three locations (Traverse City, Midland and Mt. Pleasant), Nichols Optical provides professional eye exams and state-of-the-art optical products, eyeglass fittings, and treatment of eye injuries, conditions or infection.	Subcontractor to Contractor, 2015 to Present.
On Site Endo	10503 Maumelle Blvd. Ste. 4B North Little Rock, AR 72113 Ph: (303)656-9758 Patrick Roberts Patrick@onsiteendo.com	On site endo services	Subcontractor to Contractor, September 2018 to Present
Pinson Urology & Continence Center	744 W. Michigan Ave. Suite 300 Jackson, MI 49201 (517) 768-0600 Tony Pinson, MD	Urology: Pinson Urology & Continence Center treats men and women with urological conditions including incontinence, kidney stones, obstructive disorders and UTIs. Dr. Pinson also provides the latest in treatment for urological cancers such as bladder, kidney, prostate, and testicular cancer.	Subcontractor to Contractor, 2009 to Present.
Staff Care	Jasheia Reed (972) 505-7206	Staffing Agency	Subcontractor to Contractor, April 2019 to present
Stericycle	4010 Commercial Avenue Northbrook, IL 60062 (215) 495-5897 Marc Witte mwitte@stericycle.com	Waste Services: Stericycle specializes in collecting and disposing medical waste recalled and expired medical products, and infection control management and services.	Subcontractor to Contractor, 2012 to Present.

		Together with its subsidiaries, the company offers institutional regulated waste management services and Bio Systems sharps management services to reduce the risk of needle sticks, various products and services for infection control, and regulated returns management services for expired or recalled healthcare products. The company serves the large-quantity regulated waste generators, such as hospitals, blood banks, and pharmaceutical manufacturers; and small-quantity generators of regulated waste, which include outpatient clinics, medical and dental offices, funeral homes, long-term and sub-acute care facilities, and retail pharmacies	
TLC EyeCare and Laser Centers	850 W. North St., Ste. 104 Jackson, MI 49202 Laura Kilgore (517) 936-8682 Laura.kilgore@tlceyecare.com	Ophthalmology: TLC Eyecare was founded in 1978 by Paul H. Ernest, M.D. in Jackson, MI. The company now has 14 locations and over 20 doctors. In addition to general eye care, its specialists provide care for: cataracts, glaucoma, macular degeneration, diabetic retinopathy, retinal tears and detachments, eye infections, and laser vision correction.	Subcontractor to Contractor, 2013 to Present.
Victory Clinical Services	3300 Lansing Ave. Jackson, MI 49202 Ph: (989) 752-7867 Kimberly Kile Kimberly_Kile@yahoo.com	Off site Methadone Treatment Center	Subcontractor to Contractor, January 2019 to Present
Wayne State University Physician Group	4160 John R., Ste. 908 Detroit, MI 48201 Ph: (313) 745-7145 James Sondheimer, MD SondheimerJ@michigan.gov Jsondheimer@med.wayne.edu	Tele-Nephrology	Subcontractor to Contractor, May 2018 to Present



STATE OF MICHIGAN

CENTRAL PROCUREMENT SERVICES

Department of Technology, Management, and Budget

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CONTRACT CHANGE NOTICE

Change Notice Number **2**

to

Contract Number **071B6600081**

CONTRACTOR	Corizon Health, Inc.
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	mason.gill@corizonhealth.com
	CV0007358

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-335-2076	
		sherrym@michigan.gov	
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY				
INTEGRATED PRISONER HEALTHCARE - MDOC				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$715,733,760.00	\$0.00	\$715,733,760.00		
DESCRIPTION				
Effective September 17, 2018 this contract is amended as follows:				
<p>Standard Contract Terms - The DTMB Contract Administrator and Notice person has changed to Brandon Samuel.</p> <p>Standard Contract Terms – The Contractor Notice person has changed to Steve Rector, CEO: Steve.Rector@corizonhealth.com and 615-660-6869.</p> <p>Exhibit A (Statement of Work) is hereby updated per the attached.</p> <p>Exhibit C (Pricing) is hereby updated per the attached.</p> <p>Exhibit D (SLAs) is hereby updated per the attached.</p> <p>NOTE: New language is highlighted, and language no longer needed has a strikethrough or has been denoted as removed.</p>				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Procurement approval.				

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, A. On-site Medical, #4

4. The MDOC Chief Medical Officer (CMO) or designee(s) will have final authority over the approval of medical practitioner schedules.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, A. On-site Medical, 3. Ambulatory Care, k.

k. ~~MDOC will be introducing daily clinic huddles involving the Contractor's staff and MDOC staff to discuss and prepare for the patients that are being seen that day. The Contractor must participate in huddles and prepare any materials related to each day's schedule.~~

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, A. On-site Medical, 4. Specialty Units & Services, g. Optical Services

g. Optical Services –This specialty service is provided in each clinic. Patients receive an initial exam upon intake through Contractor's staff. Additionally, at DWH there are Ferris State University students from various universities who provide optical services on-site, and will need to coordinate and communicate with Contractor's staff. At other facilities, the Contractor must provide those services through a visiting specialist. MDOC is responsible for providing the eyeglasses and contact lenses only when approved by the CMO or the Assistant Chief Medical Officer (ACMO) along with the optometry equipment. The Contractor is responsible for providing optical providers.

The Contractor will use an optical subcontractor (Nichols Optical Inc.) to provide on-site optometry services.

The optical subcontractor currently has students who provide on-site optical services at DWH through the company's partnership with Ferris State University various universities.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, B. On-Site Behavioral Health (1st paragraph under #5)

~~The Contractor must use the AMBS Call Center to provide on-call psychiatrists 24 hours per day, seven days a week. The Contractor's on-call psychiatrist will be available to provide guidance and assistance to MDOC nursing and correctional staff when a practitioner is not on site. The Contractor's on-call psychiatric practitioners are required to respond by telephone to institution-based calls within 15 minutes to provide direction to the caller and required to report to the institution within one hour after notification when the situation warrants direct assessment.~~

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, B. On-Site Behavioral Health (Table - The Minimum Mental Health Documentation and Medication Timeframes)

Minimum Mental Health Documentation and Medication Timeframes

Mental Health Service	Documentation Timeframes	Medication and/or Lab Needs	Medication Review
Outpatient Treatment (OPT) – includes Secure Status Outpatient Treatment (SSOPT)	Completes a CPE within 14 calendar days when there has been a change in the mental health level of care coming from a lower level of care or completes a transfer-in assessment on Psychopharm Progress Note within seven calendar days of transfer in from a RTP and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Address medication and lab needs of the transferred prisoner within five calendar days of notification received by the QMHP.	Meets with prisoner and reviews medication within two 5 days after receipt of notification of medication problems from QMHP, and at least 90 180 days for psychotropic medication renewals.
Residential Treatment Program (RTP) – includes Secure Status Residential Treatment Program (SSRTP)	Completes CPE within 14 calendar days when there has been a change in mental health level of care a transfer-in assessment on a Psychopharm Progress Note within seven calendar days of transfer-in from Inpatient level of care or completes a CPE within 14 calendar days when coming from a lower level of care and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Address medication and lab needs of the transferred prisoner within seven calendar days of notification received by the QMHP.	Meets with prisoner and reviews medication within two days after receipt of notification of medication problems from QMHP, and at least 90 days for psychotropic medication renewals.

<p>Adaptive Skills Residential Treatment Services (Requirements only apply to those with mental illness)</p>	<p>Completes CPE within 14 calendar days when there has been a change in Level of Care and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.</p> <p>Completes a transfer-in assessment on a Psychopharm Progress Note within seven calendar days of transfer-in from Inpatient level of care or completes a CPE within 14 calendar days when coming from a lower level of care and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.</p>	<p>Address medication and lab needs of the transferred prisoner within seven calendar days of notification received by the QMHP.</p>	<p>Meets with prisoner and reviews medication within two days after receipt of notification of medication problems from QMHP, and at least 90 days for psychotropic medication renewals.</p>
<p>Acute Care</p>	<p>Completes CPE within one business day of transfer into the program, and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.</p> <p>Completes a transfer-in assessment on a Psychopharm Progress note within one business day of transfer in from CSP or a CPE within one business day of a transfer in from a lower level of care, and completes an AIMS</p>	<p>Reviews medication and lab needs of the transferred prisoner within one business day.</p>	<p>Meets with prisoner and reviews medication within one business day after receipt of notification of medication problems from QMHP, and at least every seven days for psychotropic medication renewals.</p>
<p>Crisis Stabilization Program (CSP)</p>	<p>Completes CPE within 24 hours of admission and completes an Abnormal Involuntary Movement Scale (AIMS) every 90 days for prisoners on antipsychotic medications.</p>	<p>Reviews medication and lab needs of the transferred prisoner within 24 hours of admission.</p>	<p>Reviews medication daily.</p>

Rehabilitative Treatment Services	Completes a transfer-in assessment on a Psychopharm Progress Note within seven calendar days of transfer in from Acute Care or a CPE within seven calendar days of a transfer in from a lower level of care. Completes CPE within seven calendar days of transfer into program, and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Reviews medication and lab needs of the transferred prisoner within seven calendar days.	Meets with prisoner and reviews medication within one business day after receipt of notification of medication problems from QMHP, and at least every 30 days for psychotropic medication renewals.
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Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, C. Pharmaceutical Services, #2

2. MDOC reserves the right to purchase hemophiliac products and other medications utilizing 340B pricing from other sources, at the sole discretion of the MDOC, throughout this Contract period.
 - The Contractor can also explore ways to utilize 340B pricing throughout the contract period.
 - MDOC reserves the right to obtain government pricing to purchase and stock Nasal Narcan in its facilities and parole/probation offices.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, C. Pharmaceutical Services, 2. Mail Order Delivery of Prescriptions, f #1 and f #5.

1. ~~The Contractor must deliver routine dispensed pharmaceutical orders received by the mail order pharmacy by 3:00 p.m. Eastern Standard Time (EST) the day following the transmission of the prescription order from the MDOC facility to the mail order pharmacy.~~
1. Orders that are transmitted to the mail order pharmacy by 3:00 p.m. EST must be delivered the next business day. Business hours are 8:00 a.m. to 4:30 p.m. EST.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, C. Pharmaceutical Services, 5. Medication Returns, f.

- f. All returns must be addressed within seven days of receipt of the return. The report must be provided back to the institution documenting the credit by drug and the reason for no credit. This must reconcile to the returns submitted by the facility and must be submitted to the facility bi-monthly.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, C. Pharmaceutical Services, 9. Local Backup Pharmacies, b.

- b. The orders from the local pharmacy must be for ~~seven~~ five days or less (exception for prisoners who are paroling, see Section 3.1.R.6). The local pharmacy mechanism must be used in the event the medication is required prior to the next business day.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, F. On-site Medical, Behavioral Health and Pharmacy Staffing (~~Also See Section 4.0 Staffing~~), #1.C and #8.

- c. A lead practitioner must be designated at each facility. The designated lead practitioner for DWHC must be on-site and available M-F during business hours of 8:00 a.m. to 4:30 p.m. EST. The lead practitioner must be designated on the monthly schedule.
8. The Contractor must have a plan for staff coverage for practitioners, who will be taking time off work, and the plan must be approved by the MDOC CMO/CPO Health Unit, MDOC Unit Chief or other designated MDOC management staff prior to the time off is approved.

Exhibit A – Statement of Work: Section 3.1 Work and Deliverables, G. Prescription Drugs and Medication Management, #8

8. The Contractor must ensure that the medication error rate is not **greater** ~~more~~ than 0.05% each month for each institution. The Contractor must have a medication error review process to include electronic tracking, reporting and trending of dispensing and administrative errors. The Contractor must respond to the MDOC PM within one business day to any medication error, and provide a response of how the error occurred and resolution so that it does not occur again.

Exhibit A – Statement of Work: 3.1 Work and Deliverables, I. MDOC Inpatient Services (Tables – On-Site Specialty Programs)

PROVEN INFRASTRUCTURE IN PLACE		
SPECIALTY	FREQUENCY/ DAYS/MONTH	PROVIDER(S)
Optometry	20	Nichols Optical
Ophthalmology	4	TLC Eye Care and Laser Center
Dental/Oral Surgery	4	Orson Cardon, DDS Ronnie Sorrow, DDS
Internal Medicine/Infectious Disease	4 (in person) Telemedicine PRN	Craig Hutchinson, MD
Orthopedic	8	Jackson Orthopaedic Care & Surgery
Respiratory		To Be Determined
Audiology	4 1-2	Allegiance Hospital
Nephrology	4 (Telemedicine)	Valerie Dye, MD
Oncology Telemedicine	PRN	Richard Kosierowski Dr. David Bankole
Podiatry	PRN	Matthew Page, DPM
Cardiology	PRN	Jackson Cardiology
Rheumatology	1	Santos, M.D.

On-Site Specialty Programs:

PROVEN INFRASTRUCTURE IN PLACE	
SPECIALTY	PROVIDER
Physical Therapy	Contractor Therapy Staff
X-Ray	Michigan Radiology
Ultrasound	Global Diagnostics Services
Liver Biopsy	Global Diagnostics Services in conjunction with Dr. Henderson
Emergency Room	Emergency Medicine Consultants
Sleep Study	The Center for Sleep Health
Telemedicine	Infectious Disease, Oncology, Nephrology (Practitioners listed above)
MRI/CT	Correctional Diagnostic Imaging
Chemotherapy	HFA Oncology Contractor Oncology staff in conjunction with Ortele, LLC

Exhibit A – Statement of Work: 3.1 Work and Deliverables, N. Claims Processing, #2

2. The Contractor must submit a monthly claims file to MDOC on or before the 20th **last** day of the following month without errors.

Exhibit A – Statement of Work: 3.1 Work and Deliverables, S. Telemedicine/Off-Site Transportation, 3

- ~~3. The Contractor must prepare reports on a monthly basis that analyze telemedicine use as a means for addressing staffing vacancies, and those that were used in lieu of off-site specialty visits. The Contractor and MDOC will work collaboratively to develop benchmarks for cost savings associated with a decrease in off-site transportation. If cost savings are achieved, then they will be reinvested in technology infrastructure, then shared with the Contractor if any funds remain.~~

Exhibit A – Statement of Work: 3.1 Work and Deliverables, W. Other Requirements, #2

2. The Contractor must attend ~~a quarterly~~ **any** strategic planning meeting with BHCS leadership to discuss promising and best practices, progress on BHCS strategic initiatives, and opportunities for improvement; review trend data to identify future medical and mental health needs of the population; and present suggestions to MDOC for other strategic initiatives. This meeting will provide all partners with an opportunity to discuss ways to enhance and improve BHCS services.

Exhibit A – Statement of Work: 3.3 Training (1st paragraph)

All on-site staff provided by the Contractor, **including all subcontractors,** must ~~attend~~ **complete** the MDOC's pre-service training as well as the required annual MDOC computer or basic service training. These programs will be provided at no charge to the Contractor. The Contractor will be responsible for payment of the Contractor staff salaries, benefits and other expenses, while attending any MDOC required training. All training provided to Contractor staff by MDOC must be documented on MDOC Form CAHR-854 **and include certificates of completion when applicable. The MDOC training plan is available annually October 1 and training deadlines for that training year are set at that time. The Contractor must adhere to those training deadlines and complete any other training as requested by the MDOC leadership.**

Exhibit A – Statement of Work: 3.3 Training, A. New Employee Training, #3

- ~~3. Eight hours of National Corrections Training Program on HIV.~~

Exhibit A – Statement of Work: 4.1 Key and Essential Personal

- A. ~~The Contractor's organizational chart with reporting structures, names, and positions, including proposed provider network and the names of any subcontractors follows:~~
- A. **The MDOC will request an organizational chart with reporting structures, names, and positions, including proposed provider network and the names of any subcontractors on an annual basis. The MDOC reserves the right to request updated charts more frequently if changes are made.**

The below organizational chart has been removed.

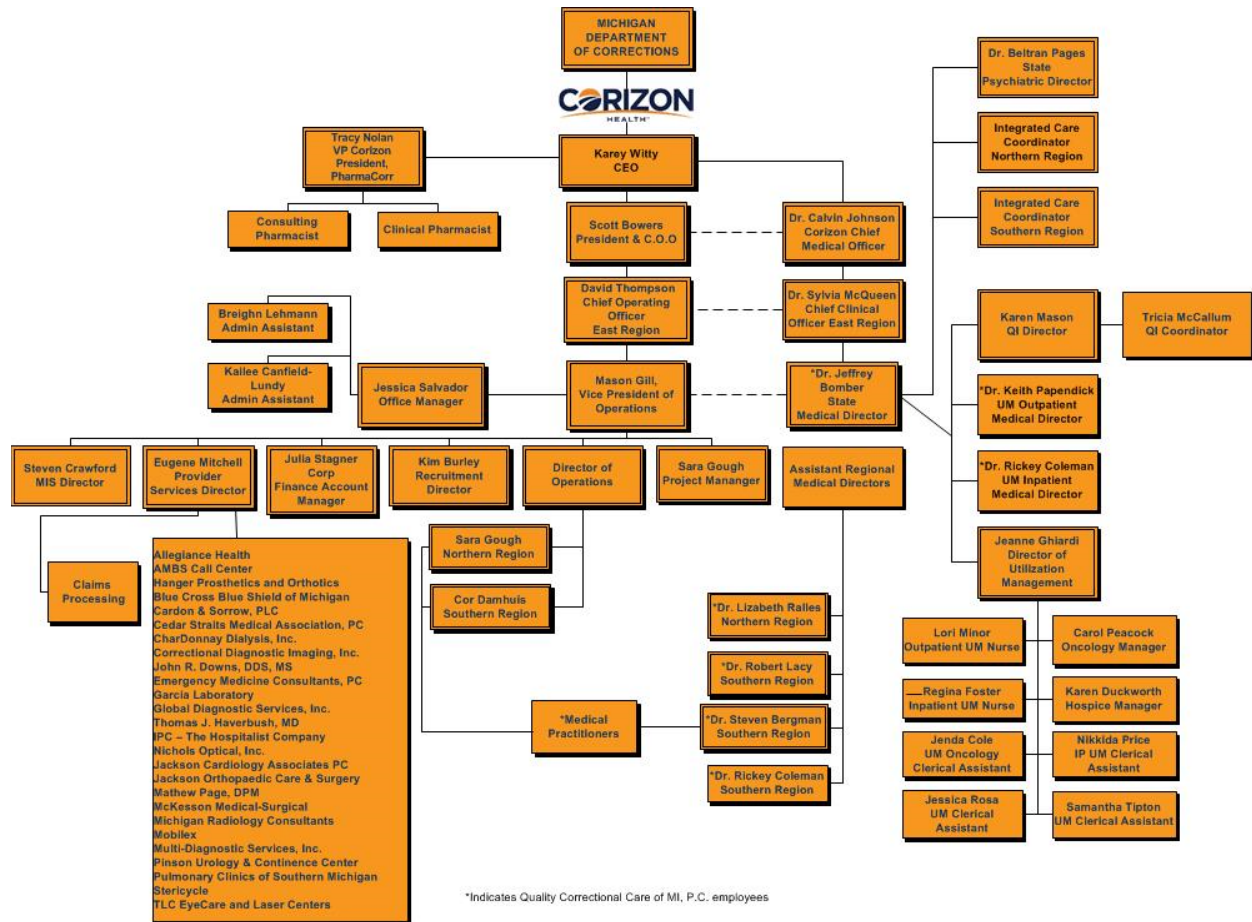


Exhibit A – Statement of Work: 4.1 Key and Essential Personal, C. Key Personnel

9. Duane Waters Health Center Lead Physician – This is a lead practitioner who is physically on site at Duane Waters Health Center for each day of the week (Monday through Friday)

Exhibit A – Statement of Work: 4.1 Key and Essential Personal, D. Essential Personnel

D. Essential Personnel:

1. End of Life Coordinator – The End of Life Coordinator must have a nursing license and will specialize in the development of an end of life and palliative care program for the MDOC.
2. Pharmacist – A designated Pharmacist who is available 24 hours per day, seven days per week to process requests for emergency medication on a Statewide basis. That position will provide clinical pharmacy consultation, and to minimize expense for back-up pharmacy services.

All Essential Personnel must be physically located in Michigan and must have their license to practice in Michigan when the Contract begins.

End of Life Coordinator: ~~Karen Duckworth, RN, CHPN~~ Lana Nagel
Pharmacist: ~~Darrell Wheeler (Interim)~~ Mike McDonald

The Contractor may not remove or assign Key Personnel or Essential Personnel without the prior consent of the State.

Prior consent is not required for reassignment for reasons beyond the Contractor's control, including illness, disability, death, leave of absence, personal emergency circumstances, resignation, or termination for cause. The State may request a résumé and conduct an interview before approving a change. The State may require a 30-calendar day

training period for replacement personnel, as set forth in Section 9.0.

Exhibit A – Statement of Work: 4.2 Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must provide a letter of intent for all subcontractors they are proposing to utilize. These letters are due with the proposal. The Contractor must also disclose the following:

1. The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
2. The relationship of the subcontractor to the Contractor.
3. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
4. A complete description of the Contract Activities that will be performed or provided by the subcontractor.

SUBCONTRACTOR NAME	ADDRESS/PHONE /CONTACT/EMAIL	DESCRIPTION OF SERVICE AND SUBCONTRACTOR ORGANIZATION	RELATIONSHIP WITH CONTRACTOR
Allegiance Health (W.A. Foote Memorial Hospital)	205 N. East Avenue Jackson, MI 49201 P/(517) -768-7745 Nancy Vannest nancy.vannest@allegiancehealth.org	Hospital Care: Allegiance Health is a community-owned and locally governed health system comprised of more than 40 different facilities serving south central Michigan. A 480-bed system, Allegiance has a full range of inpatient and outpatient services.	Subcontractor to Contractor, 2009 to Present.
AMBS Call Center	338 West Franklin Street Jackson, MI 49204-1325 (517) 780-4618 Amanda Antelo amanda@ambscallcenter.com	24-Hour On-Call Service: AMBS Call Center, available 24/7/365, provides Medical Call Center Services across the continuum of care, including answering services.	Subcontractor to Contractor, 2010 to Present.
Hanger Prosthetics and Orthotics	744 West Michigan Ave., Suite 100A Jackson, MI 49201 1-877-754-6542 Chris Crawley ccrawley@linkia.com	Orthotics/Prosthetics	Subcontractor to Contractor, 2009 to Present.
Blue Cross Blue Shield of Michigan	600 E. Lafayette Blvd Detroit, MI 48226 (313) 448-7910 Yvonne Moore ymore@bcbsm.com	Off-Site Services: BCBSM is a nonprofit organization, providing and administering health benefits to more than 4.5 million members residing in Michigan in addition to members of Michigan-headquartered groups who reside outside the state. With 150 hospitals and nearly 30,000 physicians, the Michigan Blues network is the largest in the state.	Subcontractor to Contractor, 2010 to Present.
Cardon & Sorrow, PLC	683 Robinson Road Jackson, MI 49203 (517) 787-0417 Erika Wright erikaw@drcardon.com	Oral Surgery: Cardon & Sorrow have provided oral and maxillofacial surgery in the Jackson area for over 11 years.	Subcontractor to Contractor, 2010 to Present.
Cedar Straits Medical Association, PC	500 Osborn Boulevard Sault St. Marie, MI 49783 P/(906) 635-4472 Ralph J. Duman, MD	X-Ray/Radiology Interpretation: Cedar Straits Medical Association, PC provides radiology services with a	Subcontractor to Contractor, 2012 to Present.

	rjduman@gmail.com	specialization in vascular & interventional radiology.	
CharDonnay Dialysis, Inc.	807 W. Fairchild Danville, IL 61832 (217) 477-1490 Joe Burke Joe.Burke@chardonndialysis.net	Dialysis: CharDonnay Dialysis, Inc. (CDI) was formed in May 1994, and has been a woman-owned enterprise since inception. To date, dialysis services are provided at 39 different locations in 17 different states. All CDI dialysis services are located in correctional facilities.	Subcontractor to Contractor, 2004 to Present.
John R. Downs, DDS, MS	N8778 Five Mile Point Rd. Munising, MI 49862 (906) 387-3389 John R. Downs, DDS Downs.j@att.net	Oral Maxillofacial Surgery: Dr. Downs is a Michigan-licensed dentist practicing oral and maxillofacial surgery.	Subcontractor to Contractor, 2011 to Present.
Emergency Medicine Consultants, PC	Jackson, MI Greg Fuller (517) 787-7976	Emergency Services: Emergency Medical Consultants provides consulting and staffing solutions for hospitals, urgent care centers and emergency rooms.	Subcontractor to Contractor, 2009 to Present.
Garcia Laboratory	2195 Spring Arbor Road Jackson, MI 49203 (517) 787-9200 Mary Garcia/Jeff Peterson jpeterson@garcialab.com	Lab Services: Garcia Laboratory is a full service lab offering services to physicians and prison sites across the country. A certified woman-owned business, Garcia is accredited by CLIA and CAP and currently provides laboratory services to over 308,000 lives in nearly 300 facilities in 36 states.	Subcontractor to Contractor, 2005 to Present.
Global Diagnostic Services, Inc.	2066 Eastside Drive Bldg. C. Suite 200 Conyers, GA 30013 Marc Upshaw (770) 602-0502 marcupshaw@globaldiagnostic.net	Ultrasound: Global Diagnostic Services (GDS) is one of the largest providers of mobile on-site ultrasound and x-ray services. GDS performs the latest high technology diagnostic evaluations that are digitally transmitted to a Board Certified Radiologist with results returned with 48-hours or immediately if significant abnormalities are present.	Subcontractor to Contractor, 2009 to Present.
Thomas J. Haverbush, MD	315 E. Warwich, Suite A Alma, MI 48801 (989) 463-6092 Thomas Haverbush	Orthopedic Surgery: Dr. Haverbush is a Michigan-licensed physician specializing in orthopedic surgery.	Subcontractor to Contractor, 2009 to Present.
Jackson Orthopaedic Care & Surgery	200 Summit Avenue Suite A Jackson, MI 49201 (517) 784-1187 Khawaja Ikram kmikramcpa@modempool.com	Orthopaedic Surgery: Jackson Orthopaedic Care & Surgery specializes in the treatment of injuries and diseases of bones, joints and their related structures such as muscles, tendons and nerves. The practice physicians treat people of all ages to correct problems caused by accidents, sports injuries, degenerative diseases such as arthritis, and other disabilities.	Subcontractor to Contractor, 2009 to Present.
Mathew Page, DPM	1830 Eagle Point Road	Podiatry: Dr. Page is a member of the Summit Podiatry group.	

	Clarklake, MI 49234 (517) 784-0900 Matthew Page, DPM mptmp@aol.com	Board certified by the American Board of Podiatric Medicine and Surgery, Dr. Page is a graduate of the University of Osteopathic Medicine & Health Sciences, College of Podiatric Medicine.	Subcontractor to Contractor, 2009 to Present.
McKesson Medical-Surgical	Golden Valley, MN 630-945-7018 Tony Nudo Tony.Nudo@McKesson.com	Medical Supplies: McKesson Medical-Surgical provides medical-surgical supplies, medical equipment and health care technology-related services to the alternate site market, including physician offices, surgery centers, long-term care facilities and home care businesses across the country. The company distributes more than 350,000 medical-surgical products, serving more than 50% of American hospitals, 20% of U.S. physicians and 96% of the top 25 health plans.	Subcontractor to Contractor, 2011 to Present.
Michigan Radiology Consultants	3599 Creole Way Holt, MI 48842 (517) 393-8712 Michael A. Henderson, DO doctorhendy@yahoo.com	X-ray/ Radiology/ Interpretation: Michigan Radiology Consultants provide diagnostic radiology services. They currently have a staff of two physicians and have been in operation since 1994 servicing corrections since 1995.	Subcontractor to Contractor, 2009 to Present.
Mobilex	24301 Telegraph Road Southfield, MI 48033 (262) 339-7460 Paula Duebner Paula.duebner@mobilexusa.com	Mobile X-Ray: Mobilex provides mobile x-ray and ultrasound electrocardiogram and other ancillary services to more than 7,000 facilities across the country.	Subcontractor to Contractor, 2009 to Present.
Nichols Optical, Inc.	336 W. Front Street Traverse City, MI 49684 (231) 941-5440 Roy C. Nichols nicholsoptical@nicholsoptical.net	Optometry: With three locations (Traverse City, Midland and Mt. Pleasant), Nichols Optical provides professional eye exams and state-of-the-art optical products, eyeglass fittings, and treatment of eye injuries, conditions or infection.	Subcontractor to Contractor, 2015 to Present.
Pinson Urology & Continence Center	744 W. Michigan Ave. Suite 300 Jackson, MI 49201 (517) 768-0600 Tony Pinson, MD	Urology: Pinson Urology & Continence Center treats men and women with urological conditions including incontinence, kidney stones, obstructive disorders and UTIs. Dr. Pinson also provides the latest in treatment for urological cancers such as bladder, kidney, prostate, and testicular cancer.	Subcontractor to Contractor, 2009 to Present.
		Waste Services: Stericycle specializes in collecting and disposing medical waste, recalled and expired medical products, and infection control management and services. Together with its subsidiaries, the	

Stericycle	4010 Commercial Avenue Northbrook, IL 60062 (215) 495-5897 Marc Witte mwitte@stericycle.com	company offers institutional regulated waste management services and Bio Systems sharps management services to reduce the risk of needle sticks, various products and services for infection control, and regulated returns management services for expired or recalled healthcare products. The company serves the large-quantity regulated waste generators, such as hospitals, blood banks, and pharmaceutical manufacturers; and small-quantity generators of regulated waste, which include outpatient clinics, medical and dental offices, funeral homes, long-term and sub-acute care facilities, and retail pharmacies.	Subcontractor to Contractor, 2012 to Present.
TLC EyeCare and Laser Centers	850 W. North St., Ste. 104 Jackson, MI 49202 Laura Kilgore (517) 936-8682 Laura.kilgore@tlceyecare.com	Ophthalmology: TLC Eyecare was founded in 1978 by Paul H. Ernest, M.D. in Jackson, MI. The company now has 14 locations and over 20 doctors. In addition to general eye care, its specialists provide care for: cataracts, glaucoma, macular degeneration, diabetic retinopathy, retinal tears and detachments, eye infections, and laser vision correction.	Subcontractor to Contractor, 2013 to Present.

5. Of the total bid, the price of the subcontractor's work.

SUBCONTRACTOR NAME	AMOUNT	% OF TOTAL CONTRACT VALUE
Allegiance Health (W.A. Foote Memorial Hospital)	\$8,500,000.00	6.8%
AMBS Call Center	\$70,000.00	0.1%
Blue Cross Blue Shield of Michigan	\$20,550,000.00	16.5%
Cardon & Sorrow	\$260,000.00	0.2%
Cedar Straits Medical Association, PC	\$10,000.00	0.0%
CharDonnay Dialysis, Inc.	\$2,500,000.00	2.0%
John R. Downs, DDS, MS	\$300,000.00	0.2%
Emergency Medicine Consultants, PC	\$1,000,000.00	0.8%
Garcia Laboratory	\$3,100,000.00	2.5%
Global Diagnostic Services, Inc.	\$130,000.00	0.1%
Hanger Prosthetics and Orthotics	\$500,000.00	0.4%
Thomas J. Haverbush, MD	\$10,000.00	0.0%
Jackson Orthopaedic Care & Surgery	\$80,000.00	0.1%
McKesson Medical-Surgical	\$5,000.00	0.0%
Michigan Radiology Consultants	\$300,000.00	0.2%
Mobilex	\$30,000.00	0.0%
Nichols Optometry	\$950,000.00	0.8%

Mathew Page, DPM	\$30,000.00	0.0%
Pinson Urology & Continence Center	\$5,000.00	0.0%
Stericycle	\$5,000.00	0.0%
TLC EyeCare and Laser Centers	\$10,000.00	0.0%

Exhibit A – Statement of Work: 4.3 Security (First paragraph; remaining paragraphs prior to the Background Checks section remain)

~~The Contractor will be subject the following security procedures:~~

~~The Contractor, its staff, subcontractors, provider network, and vendor partners must follow MDOC security procedures, which may include the use of MDOC armed custody officers. All services (primary, specialty, medical, and behavioral health) provided inside MDOC facilities require compliance to the MDOC Custody and Security Policies and the work rules outlined in the vendor handbook.~~

The Contractor will be subject to the following security procedures:

- A. No active police warrants or pending charges on any staff assigned to this contract, including subcontractors.
- B. Contractor staff may not be under Federal, State or local jurisdiction as an offender. Felony ex-offenders will not be considered as contracted staff until they have been discharged from all sentences, including parole and probation supervision. MDOC reserves the right to approve or decline applicants who have been involved in the criminal justice system depending on the circumstances.
- C. Not under investigation or under disciplinary action of the Michigan Department of Licensing and Regulatory Affairs, unless approved by the MDOC Program Manager.
- D. Contractor and subcontractor staff that provide direct services to offenders (prisoner, parolee, probationer), handle or may have access to offender records, or provides supervisory services to staff performing these functions, must complete the Law Enforcement Information Network (LEIN) Information Form at the start of the contract and annually thereafter, as directed by the Michigan Department of Corrections.
- E. The completed LEIN Information Form must be sent to the [MDOC-IntegratedCare-Leins@michigan.gov](mailto:Leins@michigan.gov) and approved by MDOC prior to Contract staff working with MDOC offenders. There is no cost associated with the LEIN. The LEIN form will be provided to the Contractor.
- F. Contractor staff may be required to complete and submit an RI-8 Fingerprint Card for Finger Print Checks to the MDOC.
- G. The Contractor and subcontractor must verify and document whether a staff member assigned to the Contract is related to or acquainted with an offender receiving services under this Contract. For staff who are related to or acquainted with an offender, the Contractor's staff member must complete the Offender Contact Exception Request (CAJ-202) from the facility contact. The Contractor must maintain a copy of the form in the employee's personnel file for auditing purposes.
- H. Vendor Handbook

The Contractor and subcontractor(s) will require all of its employees working with MDOC offenders, to read and sign the MDOC Vendor Handbook provided by the MDOC Contract Manager. The purpose of the MDOC Vendor Handbook is to provide the Contractor with general information regarding basic requirements of working within the MDOC, provide notice of work rules and consequences of rule violations. The Contractor must provide copies of each signed Employee Acknowledgment to the MDOC Contract Manager, and maintain a copy of the form in the employee's personnel file.

Exhibit A – Statement of Work: 4.3 Security (Background Checks/Drugs and Alcohol Screening)(1st bullet point)

- ~~Contractor must provide confirmation, in writing, to the MDOC Program Manager or designee, stating that all on-site employees have passed such tests and screenings. If any of the Contractor's employees have a felony or misdemeanor conviction (excluding minor driving offenses), the Contractor's employee are not be permitted to work under this Contract and may not enter into any MDOC facility.~~

Exhibit A – Statement of Work: 5.3 Reporting

Reports are due to the MDOC Program Manager on a monthly basis (unless otherwise specified), by the last business day of the following month. Any reports that are due annually will follow the calendar year. Reports include:

- A. *Practitioner Productivity by Practitioner and Facility* – Scheduled versus actual hours worked by practitioner and facility ~~for the reporting period and tracked over time by facility and practitioner.~~
- B. *Financial Statements* – Detailed financial statements on a cash and accrual basis, including a quarterly report on timeliness of payments to vendors. All financial reports submitted are subject to audit and must reconcile to the financial statement and/or invoice submitted to the MDOC for the final settlement of the Contract year. The Contractor must also report each individual Contract year independently of each other. Once the Contract year is settled and closed, all prior year payments in the subsequent Contract years must be reported separately in a manner such that the closed and settled prior year records are not changed or affected. The Contract year will be settled and closed six months after the Contract year end. Once the settlement is finalized, any and all additional costs will not be considered in the current or future Contract year.
- C. *Data Certification Report* – The Contractor's Chief Executive Officer must submit a MDOC Data Certification form to the MDOC that requires the Contractor to attest to the accuracy, completeness, and truthfulness of any and all data and documents submitted to the MDOC as required by this Contract. **This should be completed at the start of the Contract.**
- D. *Claims Data* – The claims data must be available in the HIPAA 837 format (http://www.ihs.gov/hipaa/835_837/newsletter4/). The Contractor must provide monthly statements that provide information regarding paid claims, aging of unpaid claims, denied claims, Medicaid claims, and IBNR in the format approved by the MDOC PM. These data should include ICD and CPT codes.
- E. *Medical and Behavioral Health Service Utilization for On-site and Offsite Services by Facility* – Referrals for specialty care by facility, distribution of specialties, approved/denied ratios, the number of denials that include Alternative Treatment Plan, average duration from approval to scheduled visit, the percentage of scheduled visits actually completed, and detailed information about the reasons scheduled visits are not completed. This is being replaced by a Health Care and Mental Health Utilization Management Report. **This report shall contain information on outpatient and inpatient utilization by category, average length of stay 407s, integrated care risk scores, hospital admissions, oncology data, Choices information, and a narrative summary.**
- F. *Emergency Room Utilization* – Raw counts of emergency room (ER) visits by facility by month, noting number per shift and number that resulted in admission. ER admissions per 100 inmates based on census, with trending by facility over time and excluding those that resulted in admission.
- G. *Inpatient Admissions* – Number of inpatient admissions by facility during month, length of stay, number of unique inmates admitted, diagnosis, reason for admission and the number of admissions with prior admission within past 30 days. For discharges during the month, number of discharges and average length of stay by facility.
- H. *On-Call Responsiveness* – Summary reports as requested related to telephone on-call and on-site call obligations **upon request from MDOC.**
- I. *Staffing Schedules* – Monthly schedule of staffing levels at each facility including an explanation of coverage at facilities where staff have time off, explanation of staff shortages and vacancies along with hiring and recruitment efforts for all areas of the Contract. This report be distributed to the MDOC CMO/CPO, and will contain a list of the vacancies by position and facility along with a list of employees who are no longer employed.
- J. *Quality Assurance and Quality Improvement Reports* – Report on performance improvement activities, targets, and timelines. Detailed disclosure of the peer review processes utilized during the year.
- K. *Midlevel Supervision Report* – Report on the status of the collaboration agreements and monitoring of the mentoring that has occurred with the Midlevel's at each facility. This report will be completed annually.
- L. ~~Medicaid shadow claims – The number of claims that were paid at the Medicaid rate and those that were Medicaid eligible that paid the regular rate.~~
- M. *Statistical Annual Report Examining Significant Trends and Issues* – This report will be

- developed collaboratively by MDOC and the Contractor. This report is done annually.
- N. *Telemedicine Utilization Report* – Number of visits scheduled by facility by specialty; number scheduled that were completed; number scheduled that were not completed; and reasons for scheduled visits not completed.
 - O. *Secure Unit and Inpatient Utilization Report* – Number of bed days at Allegiance and McLaren Regional secure units and percent occupancy for available bed days in a month.
 - P. *Top 50 by Utilization and Cost* – A monthly listing of the top 50 patients that are the most costly in terms of their off-site visits, ER visits, etc.
 - Q. *Benchmarks Against Other State Contracts* – Comparison of services with Contractor contracts in other DOC's. These reports will be requested by the MDOC as needed.
 - R. *Key Performance Indicator Report* – A ~~monthly~~ quarterly report on the agreed upon metrics and targets related to the Service Level Agreements.
 - S. *Quarterly Rebate Report* – This report includes the following data elements: manufacturer/wholesaler/other source, by product, NDC (11 digit), number of claims, quantity, total sales, total rebate dollars, total administrative fee dollars, total of all dollars received, total for manufacturer, summary totals by manufacture/wholesaler/or other source of rebate, rebates per Rx for time period, rebates per brand Rx for time period, top 25 rebate products, source of rebate, date rebated received from manufacturer/wholesaler/other source.
 - T. *Pharmacy Report* – A monthly report that includes the following elements:
 - a. Monthly reporting by dates, costs, site, prescriber, patient, drug or drug category National Drug Code (NDC), date shipped, utilization, or any combination.
 - b. Monthly reporting of drug returns including drugs returned, amount of credit, and an explanation if no credit is given.
 - c. Monthly reporting of prescription errors, and how those errors were resolved.
 - d. Monthly report of clinical interventions.
 - e. Monthly report of brand name drug substitutions.
 - f. Monthly report of prescriptions needing to be refilled to be run by the MDOC.
 - g. Utilization of brand name drugs and their subsequent generic equivalent when they become available.
 - h. Encounter data report for both mail order pharmacy and the backup pharmacies that document utilization by prisoner.
 - i. Report of psychotropic drug utilization by drug and by provider.
 - j. Prison specific profile reports that include backup pharmacy and regular medications dispensed.
 - k. Detailed report of quarterly rebates/discounts/revenue including the rebate/discount/revenue type.
 - l. Formulary compliance related to provider prescribing practices. This report will be a listing of the non-formulary and other ACMO requests by provider.
 - U. *Pharmacy Benchmark Report* – The Contractor must report quarterly on the following benchmarks and trends:
 - a. Stock out rates per 10,000
 - b. Error rates per 10,000
 - c. Percent of spend against total spend in the following categories
 - 1. HIV
 - 2. Psychotropic meds
 - 3. Hep C
 - 4. Comparison with other states and federal government with trends over time
 - V. *Other reports* – to be agreed upon by the Contractor and the MDOC.

The State reserves the right to amend the required report list. The Contractor must provide all data monthly and/or reports requested by the State's Third Party Reviewer and or/the State.

The Contractor must ensure that contracts with subcontractors and/or provider network preserves the State's right to access of all related data, and must ensure that the State and/or its contractor's access to data in order to complete their reviews.

The Contractor must obtain the State's written approval prior to publishing or making public presentations of statistical or analytical material based on its prisoners.

Exhibit C – Pricing (notes section)

- Should the legislature appropriate funding for Medication Assisted Treatment (MAT) it will be handled separate from the PPM.

Exhibit D

Service Level Agreements (SLAs) – Performance Metrics

Background

The MDOC will be utilizing a series of metrics to monitor Contractor performance. Each identified performance metric includes the information that will be assessed or an explanation of the numerator and denominator of the metric, the minimum threshold that needs to be met, and the service credit for not meeting the threshold. By utilizing metrics, MDOC will ensure that its service goals drive continuous improvement and efficiency.

The minimum threshold for each metric is assigned as part of the Contract, but will be reviewed with the Contractor, and may be revised on an annual basis (if needed). The metrics have been derived from key areas of the Contract which include timeliness of care for health care, mental health and dental services, pharmacy services, electronic medical record documentation, and credentialing and training.

Purpose and Objectives

The Performance Metrics defined in this Exhibit represent MDOC's expectations as they relate to important Contract obligations. These standards are based on current MDOC Policies, Protocols and Procedures, and represent the level of expected performance as it relates to providing services. These performance reviews will occur in the first six months of the Contract, but will not have a financial implication until the seventh month of the Contract to allow time for the Contractor to establish processes to ensure compliance.

Audit Process

The specifications listed under each metric name will be reviewed and audited according to the timetable listed on the last page of this Exhibit. The timetable also includes whether the metric will be audited at a facility or Statewide level. Audits will be conducted by MDOC staff, with specific data elements for the audit being shared with the Contractor prior to the audit. Records being audited include, but are not limited to: medical/mental health records, logbooks, staffing charts, time reports, prisoner grievances, and other requested documents as required to assess Contractor performance. Audits will be designed and performed according with the following standards:

- This Integrated Prisoner Healthcare Services Contract
- State of Michigan Rules and Regulations
- CARF Accreditation Standards
- MDOC Policies, Procedures, Protocols, Formulary, and Medical Services Advisory Committee Guidelines

The MDOC reserves the right to have the audit validated by their Third Party Reviewer. Service credits will be assessed after the Third Party Reviewer validates the audit findings. The Third Party Reviewer, as part of their review, will evaluate any related MDOC staffing vacancies or other factors beyond the Contractor's control to determine if they had significant impact upon the Contractor's ability to meet the performance metrics, and will take that into consideration when determining the Contractor's compliance. The Third Party Reviewer will also, as part of their review, accept and evaluate additional information provided by the Contractor, within the timelines of their review process.

Service Level Agreements that are determined to fall below the compliance percentage will be ~~re-evaluated~~ **reviewed** during the next audit period (~~monthly or quarterly~~). In the event they continue to fall below the threshold, the penalty amount will be double the original assessment.

A phased-in or tiered level of threshold compliance will be utilized as part of the process. This will allow for corrective actions and operational improvements to be implemented which will impact successive performance audits. Tier One represents thresholds for year one of the Contract and Tier Two represents all subsequent years of the Contract.

Corrective Action Plan

Upon request of the MDOC, the Contractor must prepare and implement a corrective action plan (CAP) ~~within 30 days~~ for each metric that falls below the target or threshold. This does not, in any way, limit the State's ability to assess service credits where the metric falls below the minimum threshold.

CAPs will be provided in a standardized format throughout the Contract and will specify the following information:

- Compliance criteria
- Percent of compliance
- Specific description of deficiency
- Timeframe for corrective action
- Owner responsible for corrective action
- Completion date

Medical Provider (MP) Timeliness of Care					
Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
1	Routine Nursing Referrals Exhibit A, Section A. 2.	Number of routine nursing referrals that were seen within five business days of when the appointment was scheduled	Number of routine nursing referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
2	Urgent Nursing Referrals Exhibit A, Section A. 2.	Number of urgent nursing referrals that were seen within one business day of when the appointment was scheduled	Number of urgent nursing referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
3	Emergent Nursing Referrals Exhibit A, Section A. 2.	Number of emergency nursing referrals that were seen immediately upon notification of the request by the prisoner or staff	Number of emergent nursing referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
4	Timeliness of Chronic Care Visits Exhibit A, Section A. 3. e and f.	Number of chronic care patients who were seen timely according to their chronic care condition (good/fair/poor)	Monthly patients in a chronic care clinic	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
5	Diagnostic Tests Exhibit A, Section A. 3. j.	Number of patients who received a diagnostic test that was reviewed within two business days from receiving test results	Number of patients who received a diagnostic test in the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00

Mental Health Timeliness of Care					
Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
6	Outpatient Treatment (OPT) Comprehensive Psychiatric Evaluation (CPE) Documentation Exhibit A, Section B. 3. b.	Number of OPT patients who received a CPE within 14 calendar days of being admitted referred to the program	Number of patients who were admitted to an OPT for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
7	Residential Treatment Program (RTP) (includes Secure Status Residential Treatment Program) CPE Documentation Exhibit A, Section B. 3. b.	Number of RTP patients who received a CPE within 14 calendar days of being admitted to the program	Number of patients admitted to an RTP for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
8	Adaptive Skills Residential Program (ASRP) CPE Documentation	Number of ASRP patients who received a CPE within 14 calendar days of being	Number of patients admitted to an ASRP for the quarter (Jan-	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00

	Exhibit A, Section B. 3. b.	admitted to the program	Mar, Apr-Jun, Jul-Sep, Oct-Dec)		
9	Mental Health Medication Renewals Exhibit A, Section B. 3. b.	Number of prisoners who were seen by the provider prior to their medications expiring	Number of prisoners with expiring medications for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
10	Acute Care CPE Documentation Exhibit A, Section B. 3. b.	Number of Acute Care patients who received a CPE within one business day of transfer into the program	Number of patients admitted to Acute Care for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
11	Crisis Stabilization Program (CSP) CPE Documentation Exhibit A, Section B. 3. b.	Number of CSP patients who received a CPE within 24 hours of transfer into the program	Number of patients admitted to CSP for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
12	Rehabilitative Treatment Services (RTS) CPE Documentation Exhibit A, Section B. 3. b.	Number of RTS patients who received a CPE within 7 calendar days of transfer into the program	Number of patients admitted to RTS for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
13	Abnormal Involuntary Movement Scale (AIMS) Documentation Exhibit A, Section B. 3. b.	Number of patients from the denominator who had an AIMS completed timely (six months if in RTS or Acute Care and 90 days if in CSP)	Number of patients who had an AIMS completed during the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
14	Mental Health Medication Reviews Exhibit A, Section B. 3. b.	The number of patients from the denominator who needed their medications reviewed, and were done so according to the specified timeframe	Number of mental health patients on mental health medications during the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
Dental Timeliness of Care					
15	Urgent Dental Referrals (For Contractor Dentists) Exhibit A, Section A. 7	Number of urgent dental referrals that were seen within 24 hours of when the appointment was scheduled	Number of urgent dental referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00

Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
16	Emergency Dental Referrals (For Contractor Dentists) Exhibit A, Section A. 7	Number of emergency dental referrals that were seen immediately upon notification of the request by the prisoner or staff	Number of emergency dental referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
Pharmacy Services					
17	Mail Order Prescriptions Exhibit A, Section C. 2. f.	The number of prescriptions (routine and emergency) that were received timely	Total number of mail order prescriptions sent on a monthly basis	Year 1 – 90% Subsequent years – 95%	Tier 1: \$5,000.00 Tier 2: 10,000.00
18	Medication Returns - The credit for every eligible returned medication is reconciled to the month the medication was returned. Medications must be returned by the 25 th day of the month to count towards that month's reconciliation Exhibit A, Section C. 5. g.			Year 1 – 90% Subsequent years – 95%	Tier 1: 0.5% of monthly Statewide pharmacy invoice 1.0% of monthly Statewide pharmacy invoice
19	Medication Error Rate- The Statewide medication error rate is not more than 0.05% Exhibit A, Section G. 8.			Compliance Rates: 99.5% - 99.95% 99% - 99.5% Under 99%	Tier 1: 0.5% of monthly Statewide pharmacy invoice Tier 2: 1.0% of monthly Statewide pharmacy invoice Tier 3: 5.0% of monthly Statewide pharmacy invoice
Claims Processing					
20	Monthly Claims File Submission – The monthly claims file is submitted on or before the 20 th day of the last day of the following month and without errors Exhibit A, Section N. 2.			100% for all years	\$10,000.00 for each occurrence

Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
21	Claims Reconciliation – Any claim identified from the monthly claims file that is paid by the Contractor that does not reconcile to the respective monthly census report Exhibit A, Section N. 3.			100% for all years	Repayment for the value of the claim paid plus \$500.00 for each claim
EMR Documentation					
22	Telemedicine Documentation Exhibit A, Section O. 6.	Number of telemedicine encounters entered in the Electronic Medical Record (EMR) by close of business on the day of the encounter	Total number of telemedicine encounters for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
Training and Credentialing					
23	Credentialing – All contracted personnel are appropriately licensed, registered or certified in the State of Michigan to practice and prescribe in their respective discipline Exhibit A, Section F. 2.			100% for all years	\$100,000.00 per occurrence
24	Training – All contracted personnel must complete MDOC New Employee training, MDOC Annual training, and any Continuing Education Courses that are needed to maintain licensure Exhibit A, Section F. 3, and Section 3.3. 2. g.			100% for all years	\$1,000.00 for each staff member that does not complete the training

Timeframe of Audits

Timeframe	Activity	Type of Audit
Monthly	SLA: Medical Provider Timeliness of Care SLA: Dental Timeliness of Care SLA: Pharmacy Services SLA: Claims Processing SLA: EMR Documentation	Facility Facility Facility Statewide (SLA: Mail Order Prescriptions) Statewide (SLA: Medication Returns and Medication Error Rate) Statewide Facility
Quarterly	SLA: Medical Provider Timeliness of Care SLA: Mental Health Timeliness of Care SLA: EMR Documentation	Facility Statewide Facility
Annual	SLA: Credentialing and Continuing Education	Statewide

Note: All audits will be completed within six months of their due date.



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **071B6600081**

CONTRACTOR	Corizon Health, Inc.
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517-827-3200
	Mason.Gill@corizonhealth.com
	*****1312

STATE	Program Manager	Marti Kay Sherry	MDOC
		517-373-9146	
		sherrym@Michigan.gov	
	Contract Administrator	Mike Kennedy	DTMB
		(517) 284-6397	
		KennedyM6@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Integrated Prisoner Healthcare - MDOC				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
June 1, 2016	May 31, 2021	5 - 1 Year	May 31, 2021	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 15		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$655,733,760.00		\$ 60,000,000.00	\$715,733,760.00	
DESCRIPTION: Effective October 26, 2016, this contract is hereby increased by \$60,000,000.00 for Hepatitis C treatment. Exhibit C – Pharmaceuticals Excluding 340 (b) program is also updated as follows: Change fourth paragraph from: “Should the legislature appropriate additional funding solely for the treatment of Hepatitis C it will be handled by separate agreement outside of this contract.” to: “Should the legislature appropriate additional funding solely for the treatment of Hepatitis C, it will be handled separate from the PPPM.”				



CONTRACT #071B6600081



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget

525 W. Allegan, Lansing MI 48913

P.O. Box 30026, Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. 071B6600081

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Corizon Health, Inc.
	103 Powell Ct.
	Brentwood, TN 37027
	Mason Gill
	517.827.3200
	Mason.Gill@corizonhealth.com
	8853

STATE	Program Administrator	Marti Kay Sherry	MDOC
		517.373.9146	
		sherrym@michigan.gov	
	Contract Administrator	Michael Kennedy	DTMB
		517.284.6397	
		KennedyM6@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Integrated Prisoner Healthcare – MDOC			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
5/1/2016	5/31/2021	5, 1-year	
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION		\$655,733,760.00	

CONTRACT #071B6600081



CONTRACT NO. 071B6600081

FOR THE CONTRACTOR:

Corizon Health, Inc.
Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Tom Falik, Services Division Director
Name & Title

DTMB
Agency

Date

CONTRACT #071B6600081



STATE OF MICHIGAN

Contract No. 071B6600081
Integrated Prisoner Healthcare Services

EXHIBIT A STATEMENT OF WORK CONTRACT ACTIVITIES

1.0 Project Request

This Contract is for an Integrated Care Management Model that addresses the physical, behavioral health, and medication needs of inmates and delivers a full range of medically necessary services to prisoners under the jurisdiction of the MDOC in a cost effective manner. The delivery of these services must be in compliance with MDOC Policies, Procedures and Protocols. If any applicable MDOC Policy or Procedure for a particular type of treatment provides for a lesser degree of care than good and acceptable medical standards, then such good and acceptable medical standard shall take precedence. If any applicable MDOC Policy or Procedure establishes a higher standard of care than good and acceptable medical standards, then such MDOC Policy or Procedure shall take precedence.

The period of Contract award through May 31, 2016, will be for implementation and transition for the Contractor; no payment will be made to the Contractor during this period. The Contractor must begin providing all services, without interruption, on June 1, 2016.

2.0 Background

The State of Michigan recognizes the critical role correctional health care plays in our State's economy. As such, the Michigan Department of Corrections (MDOC), Bureau of Health Care Services (BHCS) is re-structuring its service delivery system to incorporate preventive health, population health and care management models that have been successful outside corrections in improving outcomes and reducing costs. BHCS is also re-designing its approach to working with the larger health and human service delivery system - ensuring linkages are developed that are critical to reducing recidivism.

The MDOC currently contracts for medical health care, behavioral health care, and pharmaceutical services to an average of 44,000 prisoners annually at correctional facilities, reentry centers, and some county jails. This number includes prisoners from other jurisdictions (such as federal and county prisoners). The Contractor must provide services to all populations included on the MDOC Client Census. For prisoners housed in county jails, the Contractor is only responsible for off-site medical care and pharmaceuticals.

The MDOC operates a 152 bed inpatient facility in Jackson, MI (Duane L. Waters Health Center (DWH)), which houses prisoners whose medical needs cannot be met at an infirmary or ambulatory clinic. DWH provides acute, medical, long term care, and surgical procedures that are non-invasive or use conscious sedation for liver biopsies. Attached to DWH is C Unit, which houses prisoners that are not to the level of needing inpatient services nor can their needs be met in an ambulatory facility. C Unit has 94 medical beds. DWH currently has two procedure rooms (for liver biopsies), an on-site emergency room staffed 24 hours, seven days per week and a specialty clinic. Staffing for the emergency room includes MDOC paramedics, nurses and a medical provider. The Contractor is responsible for providing the medical provider coverage. As a rule, prisoners must be housed within 90 miles of DWH to receive services from the specialty clinics.

Approximately 18-20% of the prisoner population is currently being treated at some level for mental health challenges. A larger percentage of prisoners may receive mental health treatment during their incarceration, but many prisoners move on and off of the mental health caseload. The MDOC operates a 200 bed inpatient facility in Whitmore Lake, MI (Woodland Correctional Facility (WCC)) that houses prisoners with severe mental illness whose needs cannot be met in a general population facility. This facility also houses the Crisis Stabilization Program which stabilizes prisoners in need of emergency mental health care.

In addition to mental health services, each newly committed prisoner is assessed for a presence of a substance abuse disorder at a reception facility. This also includes any prisoner returning to incarceration. Diagnostic instruments, including the Substance Abuse Subtle Screening Inventory (SASSI), are administered to determine the level of chemical dependency. The results of this testing are used in conjunction with other information obtained from the interview, from the Pre-sentence Investigation Report (PSI), and from other sources to determine the level of dependency.

CONTRACT #071B6600081

**A. Overview of Planned Restructuring**

MDOC is restructuring how it delivers health care, mental health care, substance abuse and pharmacy services. MDOC will integrate all aspects of health care in a manner that organizes prisoners by their level of care, utilizes evidence based approaches to maximize health outcomes, optimizes medication taken by each prisoner, and minimizes overall costs. MDOC intends for the reformed health care delivery system to focus on preventative measures, clinical outcomes, medication management, and innovative approaches to care, collaboration between all services, and to provide MDOC with greater predictability and minimization of healthcare costs. There will also be enhanced focus on ensuring a connection to appropriate care in the community when a prisoner is paroled or discharged.

MDOC will be taking a population health approach to patient care where the entire spectrum of health system interventions including prevention, health promotion, diagnosis, drug interventions, and treatment are strategically developed for defined populations of prisoners-

1. Integrating Medical, Behavioral Health and Pharmaceutical Services: The Four Quadrant Model (Exhibit L)

As part of this restructuring and in keeping with advancements in health care delivery outside corrections, MDOC will integrate its physical, mental health, substance abuse and pharmaceutical services. MDOC will be utilizing the National Council for Behavioral Healthcare's Four Quadrant Model¹ as a means for integrating primary and behavioral health care within that system.

2. Restructuring Chronic Care: The Wagner Chronic Care Model (Exhibit M)

MDOC will also restructure chronic care services utilizing the Wagner Chronic Care Model as the framework for improving outcomes associated with chronic illnesses.² The model is based on assumptions that improvement in care requires an approach that incorporates patient, practitioner, and system level interventions. This is accomplished by:

- Creating a culture, organization, and mechanisms that promote safe, high quality care;
- Assuring the delivery of effective, efficient clinical care and patient self-management support;
- Promoting clinical care that is consistent with scientific evidence and patient preferences;
- Facilitate the appropriate use of medications to control illness and promote health;
- Organizing patient and population data to facilitate efficient and effective care; and
- Mobilizing community (MDOC) resources to meet needs of the patients.

B. Contractor Qualities

The Contractor must be an innovative partner that embraces the restructuring models described above, offers alternative models of care that might be beneficial to the MDOC, supports the BHCS Strategic Plan, and collaborates with MDOC and others in planning and implementing other innovations throughout the Contract period to achieve positive health outcomes for prisoners, and mitigate any negative transitional effects.

The Contractor must be an active partner in minimizing costs to the State. The MDOC believes that better health outcomes and lower costs are not mutually exclusive and the Contractor will share these values.

C. Contract Scope

The Contractor must provide all physicians and mid-level providers serving MDOC inmate medical and psychiatric needs, an off-site network of specialty services, claims payment for all pharmacy and off-site services, utilization management services, medical and psychiatric performance measurement, polypharmacy prevention and management, quality improvement activities, and supports to re-entry and discharge planning. The Contractor will be responsible for the purchase and delivery of pharmaceuticals for prisoners, management of an on-site pharmacy, analysis and support of prescribing patterns and a formulary with a goal of maximizing efficacy and efficiency while minimizing waste and cost. Additionally, the Contractor will be responsible for providing dental staffing at the discretion of the MDOC. The Contractor and MDOC will share financial risk such that the Contractor has the incentive to manage inmate healthcare on-site where appropriate and minimize the use of off-site services except where medically necessary. In addition, the Contractor will manage and monitor pharmacy utilization that includes identifying issues with polypharmacy, appropriate use of medications, and identification of medication errors.

¹ See <http://www.ibhp.org/uploads/file/Mauers%20Behav%20Health%20Models%20Competencies%20Infra.pdf> for information on the Four Quadrant Model for integrating physical and mental health services

² See http://www.improvingchroniccare.org/?p=The_Chronic_Care_Model&s=2 for information on the Wagner Chronic Care Model

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MDOC will continue to provide the ambulatory staffing at the clinics with one caveat. The Contractor must recruit and staff vacant Dentist positions that cannot be filled by the MDOC recruitment efforts. There are currently 12.5 full time equivalent (FTEs) for Dentists that are vacant Statewide. This includes 6 FTEs that represent the southern facilities and 6.5 FTEs for the northern facilities. MDOC is also working on several recruitment efforts to fill these vacancies. Once the dentists are hired by the Contractor, they will be their employees for the duration of the Contract. Additionally, the MDOC may ask the Contractor to modify their pricing structure as any future federal, State, or private funds or requirements become available during the Contract period.

D. Definitions

A list of definitions for this Contract is located in Exhibit B.

3.0 Requirements

3.1 Work and Deliverables

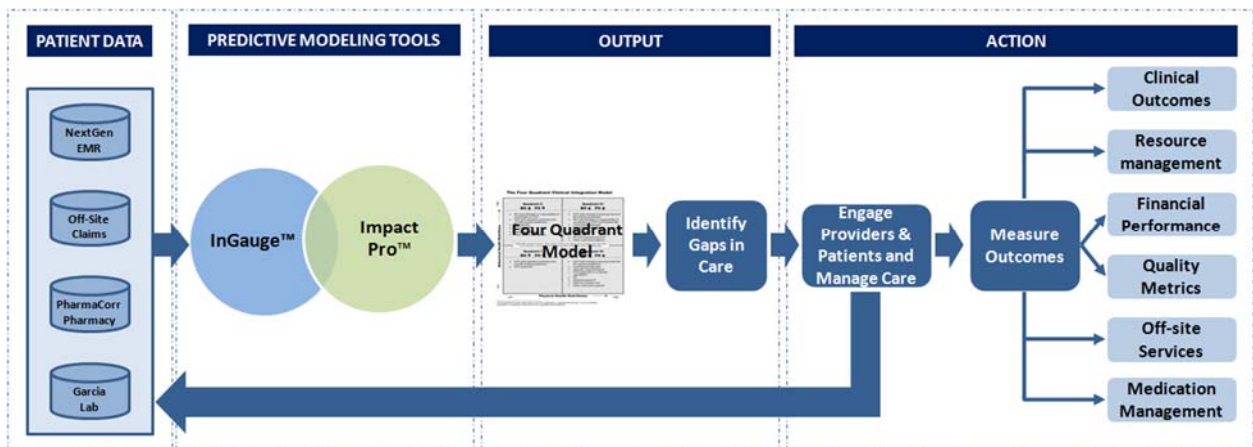
A. On-Site Medical

1. The Contractor must provide medically necessary on-site medical care and services in accordance with MDOC Policies and Procedures and evidence based practice guidelines.
 2. The Contractor must provide all physician, and mid-level provider services, and medical practitioners must be available to see prisoners during clinic hours.
 3. Practitioners must provide clinic coverage five days a week. Clinics may operate between the hours of 6:00 a.m. to 9:00 p.m. EST, and the Contractor must provide coverage that meets the needs of the clinic within those five days a week.
 4. The MDOC Chief Medical Officer (CMO) will have final authority over the approval of medical practitioner schedules.
 5. The Charles E. Egeler Reception and Guidance Center (RGC) Intake receives prisoners Monday through Friday 7:00 a.m. to 2:00 p.m. and the Contractor must be available to provide services during those hours.
 - Women's Huron Valley Correctional Facility (WHV) receives prisoners 24 hours day, and parole violators can also be brought into the Detroit Reentry Center 24 hours a day. The Contractor must be available to provide services during these hours.
 - The Contractor must have on-site on call services 24 hours a day at DWH. At all other facilities there must be 24 hour on-call services available.
 6. MDOC and the Contractor will cooperate to assure that nursing, custody, and other necessary staffing is available during the desired hours of clinic operation.
 7. The Contractor must provide access to an on-call provider when practitioners are not on-site to provide guidance and assistance to MDOC nursing staff and correctional staff.
 8. The MDOC has nurse protocols and standing orders with which the Contractor will need to cooperate.
 9. The State CMO and Chief Psychiatric Officer (CPO) will have final authority over clinical decisions related to the Contract.
- 1. Intake**
- a. The Contractor must ensure that all incoming prisoners receive a comprehensive health intake screening and assessment within 14 calendar days of arrival at the reception center by a qualified and licensed health care practitioner.
 - b. The intake assessment must include an assessment of physical and mental health needs along with their current medications.
 - c. The substance abuse needs of the inmate are assessed at Intake by MDOC staff.
 - d. A dental assessment is also completed during the intake process.
 - e. Dental services are currently provided by MDOC Staff.

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- f. The Contractor must consult and/or collaborate with dental staff as needed.
- g. The Contractor must utilize the results of the comprehensive health assessment to stratify the population based on the Four Quadrant model.
 - 1) In order to ensure that all patients with higher acuity are seen and identified, all patients hospitalized or that visited the ER are also referred to our provider for a chart review or appointment within one business day.
 - 2) The "Top Ten" patients from the Case Management Lists undergo additional monthly reviews by the Regional Medical Director. Patients involved in altercations, assaults, self-injurious behavior and all patients from the "Top Ten" ER visit volume sites are reviewed monthly by the Regional Medical Director and discussed with the Case Management Team where indicated.
 - 3) To further increase scrutiny and ensure that necessary medical care is provided, the most complex patients are also referred for review to the Michigan Corizon Quality Improvement and Patient Safety Committee Meetings (State Medical Director, UM physicians, Regional Medical Directors, QI Director and invitees).
 - 4) The process will be further automated by sweeping data from the NextGen EMR; Offsite Claims; Pharmacy and Lab data using Impact ProTM.
 - 5) The Contractor will implement ImpactPro™ that provides sophisticated clinical analytics, population health management, and predictive modeling. Patient scores from Impact Pro™ will be used to stratify patients into the Four Quadrant Model.



- 6) Patient Data – electronic patient data from the EMR, claims, pharmacy and laboratory data is consolidated, scrubbed and transformed in Corizon Health's business intelligence tool, InGauge™, prior to utilizing it in the predictive modeling and analytical process.
 - NextGen EMR – An electronic interface of patient encounter and provider data from NextGen will be established to utilize in the process.
 - Other Patient Data – To complete the patient centered profile, it is critical to utilize all the patient care data from supporting subsystems. The Contractor, through long-term vendor relationships, has established and proven data feeds of inpatient and outpatient claims, pharmacy and laboratory results.
- 7) Output – The Contractor's operational, clinical and analytical teams will draw from experience and outputs from clinical solutions, Impact Pro™ and InGauge™, to risk stratify the population and identify gaps in care.
 - Defining the Population Based on Risk Stratification – The Contractor will use outputs from Impact Pro™ solution as a guide for our clinical experts to accurately assign patients to the appropriate quadrant in the Four Quadrant Model.
 - Define Patient Specific Markers of Risk: Groups the patient's prior use of health care resources (including medical and mental health) and other diagnostic information into unique episodes of care defined as markers of risk.

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- Weight of Clinical Markers: A clinical risk weighting is assigned to each of the unique markers of risk which represents each marker's individual contribution to the patient's risk.
 - Health Risk Calculation: Sum of the weights from each of the clinical markers to compute the patient's risk score.
- 8) Identify Opportunities or Gaps in Care – The Contractor must use clinical pathways standard guidelines to identify gaps in care and avoidable utilization. In addition to patient risk, Impact Pro™ provides significant visibility into gaps in care and opportunities.
- 9) Measure Outcomes – InGauge™ is the Contractor's multi-dimensional business intelligence tool that gives the clinical and operational teams' visibility to critical aspects of care delivery through access to dashboards, reports and data queries from our enterprise data warehouse.
- h. Prisoners arriving on active medication orders must have their medication renewed on the same day the prisoner arrives at intake.
- 1) All Quadrant IV patients and selected patients in other quadrants will have their medication regimen reviewed using the ASHP Medication Reconciliation guideline.
- 2) During the course of treatment, a primary care physician, psychiatrist, nurse practitioner, or physician assistant may prescribe psychotropic medication. The Contractor work closely with the treatment team for individuals whose behavioral health and / or physical health needs are significant such that a comprehensive treatment plan is in place to ensure optimal recovery for the patient. The Contractor's patient education regarding medication adherence and risk/benefits of medication as well as choices in treatment will be clear and thorough and the Contractor will work with each patient to ensure health options are clear as well as to promote self-management of conditions.
- i. Based on the screening and assessment, the practitioner must develop a comprehensive care plan for the prisoner that must address all necessary medical and mental health services both on-site and offsite, and includes the prisoner's medication regimen.
- j. The care plan must be appropriate for the quadrant and follow evidence-based guidelines for the management of identified conditions. The care plan must be updated with each clinical encounter. The integrated care plan includes (but is not limited to):
- Current diagnoses (medical and behavioral health)
 - Current providers involved in care and responsibilities of each team member
 - Patient's needs and preferences (medical, behavioral health, self-management, functional, etc.)
 - Short and long term treatment goals, with plans for achievement
 - Care and services to be provided (including frequency of visits and reassessment, lab testing, etc.)
 - Instructions on activities, special diets and personal hygiene needs
 - Medication management

2. Sick Call

- a. The Contractor must provide sick call services five days per week (Monday through Friday).
- b. For general population prisoners, the sick call will be done in the clinic.
- c. For those in segregation or those unable to get to the clinic, the practitioner must provide the sick call in the designated clinical area.
- d. The table below describes the mandatory timeframe for practitioners to address sick call referrals for primary care and chronic care visits.

Health Care Referral or Visit	Timeframe
Routine Referrals	Within five business days of the request for services by the prisoner or staff.
Urgent Referrals	Within the next business day of the request for services by the prisoner or staff.
Emergent Referrals	Seen immediately upon notification of the request by the prisoner or staff.

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3. Ambulatory Care

- a. MDOC nursing staff conducts annual health screens within 30 calendar days of the prisoner's birthday.
- b. The Contractor must conduct any age appropriate screening that is referred by the nursing staff. All clinical documentation will be entered into the patient's medical record. Referral, as needed, will be made to the appropriate practitioner for follow-up care or psychiatric services, or to the CMHP.
- c. The Contractor must provide chronic care services utilizing the elements of the Wagner Chronic Care Model.

The Contractor must use a disease management approach to chronic care. This population-based approach uses patient/population identification, clinical management with evidence-based treatment plans, education and resources, and outcome reporting.

The Contractor's practitioners use the severity indexing for prisoners with chronic diseases as established by the MDOC for good, fair and poor control, subdividing each disease by severity and outlining treatment and pharmacological management based on the severity index.

A practitioner develops an Individual Treatment Plan (ITP) for any prisoner suffering from chronic disease or needing convalescent care. ITPs are reviewed regularly and revised as needed, to ensure continuity of care.

The Contractor's Clinical Pathways Program includes an extensive program for the most common diseases they manage.

- d. The Contractor must address the following chronic medical conditions, including, but not limited to: pulmonary, endocrinology, infectious disease, cardiovascular, neurological gastrointestinal.
- e. Other chronic conditions must be addressed based on the prisoner and medical needs and MDOC request.
- f. The Contractor does have flexibility in proposing other methods to address chronic care conditions that may be more efficient and innovative.

The Contractor's disease management focus at MDOC is facilitated through the following clinics:

- Pulmonary
- Endocrinology
- Infectious disease
- Cardiovascular
- Neurological
- Gastrointestinal
- General Medicine/Special Needs Clinic

- g. For each chronic condition, the Contractor must provide its evidence-based treatment guidelines, indicators for levels of control, clinical prompts, and patient education/self-management tools to MDOC for approval.
- h. The practitioner must develop and manage a patient specific treatment plan for each prisoner enrolled in a chronic care clinic. Prisoners enrolled in a chronic care clinic must be seen according to their degree of control related to the management of their chronic care.
- i. When prisoners with chronic conditions transfer from other MDOC facilities, the Contractor must review the medical record for level of control, medications, scheduled appointments, and schedule the inmate to be seen in the time frames as references in Table in 3.1. A. 2.

The Contractor will provide HCV and HIV treatment regimens that are tailored to the chronic conditions and related to documented level of control, and actively engage prisoners in as much self-management as the prisoner and his/her security level is capable. All treatment regimens, parameters for establishing level of control, and treatment guidelines must be approved by the MDOC CMO within five business days of receipt.

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- j. Contractors must provide education on its treatment regimens to relevant MDOC staff. Prisoners presenting to sick call with the same chronic condition three times in 30 days must be referred to the practitioner to have the treatment plan reviewed and modified if necessary.
- k. MDOC will be introducing daily clinic huddles involving the Contractor's staff and MDOC staff to discuss and prepare for the patients that are being seen that day. The Contractor must participate in huddles and prepare any materials related to each day's schedule.
- l. Diagnostic Tests – The Contractor must review all diagnostic test results within two business days from receiving the test results.

The Contractor must monitor adherence to these requirements through a Continuous Quality Safety Improvement (CQSI) program.

- m. Medication Renewals – The Contractor must ensure that prisoners are seen timely and prior to their medication's expiring. The Contractor must ensure Framework LTC is available for all medications ordered and filled. .

4. Specialty Units and Services

The Contractor must coordinate admission to specialty units with the MDOC patient services area, which is responsible for managing all of the specialty beds within the MDOC facilities. The Contractor must also provide medical services, including Optical, in the specialty units.

- a. Infirmary – The MDOC currently has infirmaries at C Unit, WCC, WHV, and Marquette Branch Prison (MBP).

Infirmary Beds by Facility

Facility	Number of Beds
C unit	94
WCC	23
WHV	18
MBP	8

The Contractor will continue to maximize healthcare services at the infirmaries with the goal of further minimizing the number of outside hospital confinements and controlling associated costs.

Operations and management of the infirmaries will include:

- An on-call physician and psychiatrist 24 hours per day, seven days per week for infirmary consultation if there is not already a practitioner at the facility.
 - Admission to and discharge from the infirmary occurs only on the order of the medical practitioner, with appropriate documentation in the prisoner's medical record.
 - The physician, psychiatrist, or mid-level practitioner will make on-site rounds daily Monday through Friday and document the date and time in the patient's EMR.
 - The clinical pharmacist will review each medication order from the infirmary, checking for drug interactions, allergies and duplicate medication orders. The pharmacist will use evidence-based treatment regimens to ensure each order complies with formulary guidelines and is the best drug, dose, route frequency and duration.
 - During the infirmary admission, providers will review and update the patient's care plan with changes in treatment goals and care outcomes.
 - Upon discharge from the infirmary, the care plan will again be reviewed and updated based on the infirmary stay. The quadrant will be reassessed and reassigned as indicated by the patient's discharge condition and plan of care.
- b. Older Adult population – MDOC has a growing population of prisoners 50 years or older. MDOC is exploring possible specialized housing for this growing subpopulation. One facility will house approximately 600 inmates who have cognitive impairments or dementia, and need assistance with their Activities of Daily Living (ADLs) along with the frail medical or frail elderly. There are 96 beds at Lakeland Correctional Facility (LCF) dedicated to the older adult population. This population is capable of normal ADL with the assistance of prisoner aides.
 - c. C Unit – DWH also has the responsibility for C Unit, which cares for patients who do not require hospitalization at DWH, but whose needs could not be met in general population. C Unit contains 94 beds, and currently 68 are being used by prisoners with medical needs. The types of prisoners

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residing in C Unit include individuals who meet the criteria for assisted living similar to the community. Individuals will have significant impairment in the ability to care for themselves, and will require significant hands on assistance. Other prisoners in this unit will include those recovering from chemotherapy.

- d. Segregation – The Contractor must ensure practitioners make rounds in segregation units at least once every two weeks to address acute sick call, behavioral health, chronic care, and education.
- e. Dialysis – The Contractor must, at its sole cost and expense, provide necessary staffing, pharmaceuticals (see Section 3.C for specifics) medical waste removal, and equipment (including, but not limited to, the chair and machines related to dialysis) to operate a 16 chair on-site dialysis unit at Ryan Correctional Facility (RRF), a three chair on-site unit at WCC, and four chairs on-site unit at WHV. Dialysis services must be available on-site six days per week from 6:00 a.m. to 11:00 p.m. EST.

The Contractor will provide dialysis services through their dialysis subcontractor (CharDonnay Dialysis, Inc.)

- f. Youthful Offenders – The youthful offender program is a collaborative effort actively involving MDOC custody, medical and behavioral healthcare, and education staff to meet the need of adolescent prisoners. This specialty service is primarily housed at the Thumb Correctional Facility (TCF) in Lapeer, MI. It is composed of elements including alternatives to segregation for youth prisoners, and the Behavior Management Unit with programming related to education, group treatment, and employment. The age range for participation is 13 to 21 at the time of the offense. The Contractor must provide medical and psychiatric services to inmates in this program.
- g. Optical Services – This specialty service is provided in each clinic. Patients receive an initial exam upon intake through Contractor's staff. Additionally, at DWH there are Ferris State University students who provide optical services on-site, and will need to coordinate and communicate with Contractor's staff. At other facilities, the Contractor must provide those services through a visiting specialist. MDOC is responsible for providing the eyeglasses and contact lenses only when approved by the CMO or the Assistant Chief Medical Officer (ACMO) along with the optometry equipment. The Contractor is responsible for providing optical providers.

The Contractor will use an optical subcontractor (Nichols Optical Inc.) to provide on-site optometry services.

The optical subcontractor currently has students who provide on-site optical services at DWH through the company's partnership with Ferris State University.

- h. OB/GYN Services – The Contractor must perform the following services at WHV: colposcopy, Loop Electrosurgical Excision Procedure (LEEP), ultrasounds, endometrial biopsy, cervical punch biopsy, excision of polyps, and treatment of venereal warts with either chemical cauterization or excision PAP smears.

5. Detoxification Services

- a. The Contractor will be responsible for the oversight and medical monitoring of prisoners housed in the Detroit Reentry Center, Detroit Detention Center, or WHV that are currently going through detoxification. This includes assessment of the need for medical monitoring during detox.
- b. The Contractor must use evidence based criteria and practices for the assessment and treatment of detoxification.

6. End of Life Services

- a. The Contractor must develop and implement an end of life and palliative care program that can be utilized throughout the MDOC.
- b. The Contractor is responsible for admission protocols and special training of all health and custody staff associated with the services.

The Contractor's end of life care program is known as Choose Health Options, Initiate, Care, Educate, Self (CHOICES), CHOICES is a patient-centered, cost-effective approach to treating the incarcerated terminally ill.

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7. Dental Staffing

The Contractor will be responsible for augmenting existing dental staff at the discretion of the MDOC, and treating patients according to timeframes outlined in MDOC Policies and Procedures.

B. On-site Behavioral Health

The Contractor must provide behavioral services in accordance with MDOC Policies, Procedures and Protocols. Psychiatric practitioners must be available to see prisoners during clinic hours. Practitioners must provide clinic coverage five days a week.

1. Clinics may operate between the hours of 6:00 a.m. to 9:00 p.m. EST, with behavioral health services being provided between the hours of 8:00 a.m. to 4:30 p.m. EST.
2. The Contractor must provide coverage that meets the needs of the clinic within those five days a week.
3. The MDOC CPO will have final authority over the approval of behavioral health practitioner schedules.
4. The RGC Intake receives prisoners Monday through Friday 7:00 a.m. to 2:00 p.m., WCC and WHV receive prisoners 24 hours a day, and parole violators can also be brought into the Detroit Reentry Center 24 hours a day.
5. At all other facilities there must be 24 hour on-call services available.

The Contractor must use the AMBS Call Center to provide on-call psychiatrists 24 hours per day, seven days a week. The Contractor's on-call psychiatrist will be available to provide guidance and assistance to MDOC nursing and correctional staff when a practitioner is not on site. The Contractor's on-call psychiatric practitioners are required to respond by telephone to institution-based calls within 15 minutes to provide direction to the caller and required to report to the institution within one hour after notification when the situation warrants direct assessment.

Parole violators who are brought into the Detroit Reentry Center will receive the comprehensive health intake screening and assessment within 14 days of transfer to RGC. The Contractor's psychiatric practitioners will assist the interdisciplinary team in assessing the individual, determining placement within the Four Quadrant Model, and in identifying the levels of medical-behavioral coordination and consultation, ongoing monitoring and reassessment, or other interventions needed to facilitate each inmate in reaching an optimal level of functioning.

1. Behavioral Health Services

The MDOC Mental Health continuum of services is divided into Institutional Programming, Counseling Services, Corrections Mental Health Program, and Special Services.

- a. The Contractor is responsible for the psychiatric provider services in each of these areas, which are described in this section.
- b. Counseling Services are provided by an MDOC Qualified Mental health Professional (QMHP) and are considered out of scope for this Contract.
- c. Mental Health Services provides psychiatric evaluations for all individuals who are believed to be mentally ill after a thorough evaluation by a QMHP.
- d. Treatment needs, goals and methods are determined by a QMHP or by an interdisciplinary Treatment Team under the leadership/clinical direction of a QMHP Unit Chief and are documented in an individualized Treatment Plan.
- e. The treatment team is the decision making body for the treatment of prisoners, including decisions regarding initial admission to MHS, discharge from the MHS program and referral to other levels of mental health care.

The primary care physician will administer screening tools routinely to reassess the patient's functioning and symptom severity such as the PH Q9 for depression and the GAD to assess anxiety. The Contractor's psychiatric practitioners will actively participate in treatment teams providing behavioral health services.

2. Institutional Program

- a. Reception Screening Services – The Contractor must review the Mental Health Services Form the same day as notification and interview prisoners regarding their medication needs.

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- b. The Contractor must evaluate the prisoner no later than 10 days after the QMHP evaluation, and complete a Comprehensive Psychiatric Evaluation (CPE) within one business day.
- c. The Contractor must determine other medication and lab needs during the evaluation.

Upon referral, the Contractor's psychiatrist will conduct a comprehensive diagnostic evaluation with the prisoner to assess symptom presentation and determine clinical needs. Treatment considerations and recommendations will be geared towards the overall health and wellness action plan for the individual. The psychiatrist may recommend person-centered interventions given the individual's current quadrant placement and he or she will address regularly scheduled intervals for reassessment. The psychiatrist will evaluate for risk factors and potential for decompensation, and members of the ICT will be engaged as appropriate. The examination will be conducted in accordance with *MDOC Policy Directive 04.06.180 Mental Health Services* and include a review of predictive modeling data regarding risk factors, the prisoner's mental health records and a face-to-face evaluation.

Information obtained during the CPE will be documented in the patient's health record as part of the overall diagnostic impression, risk assessment and integrated treatment plan. Individuals who are already stabilized on medication will be considered for referral to the medical providers for continuing monitoring and subsequent prescription of current psychotropic medications. Our primary care physicians will be well-prepared to provide care to patients who have already demonstrated positive results from medication interventions and will have ready access to consultation from the psychiatric practitioners should reassessment indicate an increase in symptoms or a potential complication. Frequent re-evaluation of the efficacy of all treatment interventions will allow individuals to be served at the appropriate level of intensity and by the appropriate providers.

- d. Suicide Prevention - The Contractor must ensure that the practitioners are available to consult with the QMHP and respond to referrals for psychiatric intervention when prisoners are on suicide watch at a facility.

The Contractor must have a psychiatrist available 24 hours a day, seven days a week to provide guidance and assistance to MDOC behavioral health staff and custody staff when a practitioner is not on site.

The Contractor makes available a comprehensive training program for custody staff and health care staff in pertinent areas of mental illness, suicide prevention, and crisis intervention.

The Contractor's suicide prevention resources include a written syllabus, PowerPoint presentations and interactive learning formats. The Contractor's in-service programs increase staff awareness of suicidal behavior and prevention techniques. The Contractor's formal suicide prevention program educates staff to: Know the circumstances in which inmates are most likely to attempt suicide.

- e. Many MDOC inmates with mental illness are stable and maintained on a stable medication regimen. These inmates can be managed with most or all of the elements of the Wagner Chronic Care Model, and many can be managed by primary care with consultation from psychiatry and referral to psychiatry when the level of control worsens. MDOC considers this approach important for full use of the Wagner Model and as an important means to extend the capacity of psychiatric resources, which are expected to become increasingly scarce over time.

The Contractor will review care needs for each individual patient and, additionally through the contractor's predictive modeling program, Impact Pro, the Contractor is able to obtain a comprehensive look at patient data from a population health perspective.

The Contractor will ensure their staff are appropriately trained and will collaborate with the MDOC in developing a library of standard decision-making tools.

- f. The Contractor must use evidence based practices that include assessment of symptom severity, diagnosis, medication and other therapies.
- g. The Contractor must staff and manage behavioral health services using the integrated approach of the Four Quadrant model, with staffing levels, location of services, and clinical integration with medical providers appropriate to the needs of inmates in each quadrant.

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3. Corrections Mental Health Program (Psychiatric Services for Mentally Ill Prisoners)

The MDOC system has six levels of care in its mental health continuum of care. Information about the levels of care is described in the Mental Health Program Statements.

- a. The Contractor must provide psychiatric services appropriate to each level of care. Mental Health Services (MHS) will be undergoing Commission on Accreditation Rehabilitation Facilities (CARF) accreditation in 2016 that may include inpatient mental health services.
- b. Mental Health programming such as Assaultive Offender Programming and Sex Offender Programming along with Substance Abuse Treatment is out of scope for this Contract.

1. Outpatient Treatment (OPT)

The Contractor will follow the MDOC's Mental Health Documentation and Medication Timeframes for Outpatient Treatment. Patients in OPT will be seen by the Contractor's psychiatric provider once every 90 days or more frequently if warranted. Medication reviews will also be conducted at least every 90 days for those placed on Outpatient in Remission (OREM) status.

2. Residential Treatment Program

The Contractor will follow the MDOC's Mental Health Documentation and Medication Timeframes for the Residential Treatment Program. The Contractor ensures the CPE will be completed within 14 days. The AIMS will be done at least every six months and medication and lab needs for transferred prisoners will be addressed within seven calendar days.

3. Adaptive Skills Residential Treatment Services

The Contractor will follow the MDOC's Mental Health Documentation and Medication Timeframes for Adaptive Skills Residential Treatment Services. If there are medication problems per the QMHP, the Contractor's psychiatric provider will meet with the prisoner for a review of medication within two days. Otherwise, the patient will be seen by psychiatry at least every 90 days for medication renewal.

4. Acute Care (AC)

The Contractor will follow the MDOC's Mental Health Documentation and Medication Timeframes for Acute Care. The CPE will be completed within one day of transfer and the AIMS for those on antipsychotic medications every six months or sooner if clinically indicated. The Contractor must comply with the facility operating procedures regarding the use of "Therapeutic Restraint and Seclusion of Mentally Ill Prisoners."

5. Crisis Stabilization Program (CSP)

The Contractor will follow the MDOC's Mental Health Documentation and Medication Timeframes for the Crisis Stabilization Program. The Contractor will perform a CPE within 24 hours of admission and complete the AIMS every 90 days or sooner if needed for those on antipsychotic medications.

6. Rehabilitative Treatment Services (RTS)

- a. The Contractor will follow the MDOC's Mental Health Documentation and Medication Timeframes for Rehabilitative Treatment Services.
- b. The Contractor's psychiatric providers will complete a CPE within seven calendar days of transfer into the RTS program and complete an AIMS every six months or sooner for prisoners on antipsychotic medications.
- c. Public Act 258 of 1974 provides for the establishment of the Corrections Mental Health Program (CMHP) which is a component of Mental Health Services. The CMHP program consists of Outpatient Treatment (OPT), Residential Treatment Program (RTP), Adaptive Skills Residential Program (ASRP), and Inpatient Services. The services included under Inpatient Services include the Crisis Stabilization Program (CSP), Acute Care, and Rehabilitative Treatment Services (RTS).
- d. The Contractor must ensure that the timeliness of behavioral health care is in compliance with MDOC Policies, Procedures, and Protocols.

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- e. The table on the next page describes the timeframe related to mental health services, documentation needed, medication and lab needs, and medication review.

Minimum Mental Health Documentation and Medication Timeframes

Mental Health Service	Documentation Timeframes	Medication and/or Lab Needs	Medication Review
Outpatient Treatment (OPT) – includes Secure Status Outpatient Treatment (SSOPT)	Completes CPE within 14 calendar days when there has been a change in the mental health level of care and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Address medication and lab needs of the transferred prisoner within five calendar days of notification received by the QMHP.	Meets with prisoner and reviews medication within two days after receipt of notification of medication problems from QMHP, and at least 90 days for psychotropic medication renewals.
Residential Treatment Program (RTP) – includes Secure Status Residential Treatment Program (SSRTP)	Completes CPE within 14 calendar days when there has been a change in mental health level of care and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Address medication and lab needs of the transferred prisoner within seven calendar days of notification received by the QMHP.	Meets with prisoner and reviews medication within two days after receipt of notification of medication problems from QMHP, and at least 90 days for psychotropic medication renewals.
Adaptive Skills Residential Treatment Services	Completes CPE within 14 calendar days when there has been a change in Level of Care and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Address medication and lab needs of the transferred prisoner within seven calendar days of notification received by the QMHP.	Meets with prisoner and reviews medication within two days after receipt of notification of medication problems from QMHP, and at least 90 days for psychotropic medication renewals.
Acute Care	Completes CPE within one business day of transfer into the program, and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Reviews medication and lab needs of the transferred prisoner within one business day.	Meets with prisoner and reviews medication within one business day after receipt of notification of medication problems from QMHP, and at least every seven days for psychotropic medication renewals.
Crisis Stabilization Program (CSP)	Completes CPE within 24 hours of admission, and completes an Abnormal Involuntary Movement Scale (AIMS) every 90 days for prisoners on antipsychotic medications.	Reviews medication and lab needs of the transferred prisoner within 24 hours of admission.	Reviews medication daily.
Rehabilitative Treatment Services	Completes CPE within seven calendar days of transfer into program, and completes an AIMS every six months for prisoners on antipsychotic medications or sooner if necessary.	Reviews medication and lab needs of the transferred prisoner within seven calendar days.	Meets with prisoner and reviews medication within one business day after receipt of notification of medication problems from QMHP, and at least every 30 days for psychotropic medication renewals.

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The Contractor ensures that the timeliness of behavioral health care provided by their psychiatric practitioners will be in compliance with the MDOC Policies, Procedures, and Protocols as pertaining to behavioral health and psychiatric services, as well as consistent with clinical practice guidelines. The Contractor acknowledges and agrees to provide the mental health services, documentation needed, medication and lab needs, and medication review in the timeframes described in the requirement above.

The Contractor has a Continuous Quality and Safety Improvement (CQSI) program led at the regional level and supported by the Contractor's corporate structure to ensure monitoring and identification of opportunities for improvement. The Contractor's Clinical Pharmacist team is available for consults as needed for this population.

4. Special Mental Health Services and Requirements

- a. Treatment Plans - The Contractor must provide full participation in the treatment team process of writing the initial treatment and management plans for all prisoners receiving behavioral health services.
- b. Restraints in Inpatient Mental Health Settings – The Contractor must provide in-person psychiatric evaluations to prisoners on restraint within one hour of the application of the restraints with the development of a treatment plan within one business day of the evaluation.

The Contractor understands that therapeutic restraints may be used in the inpatient units as ordered by a psychiatrist and in accordance with institutional procedures – *Therapeutic Restraint and Seclusion of Mentally Ill Prisoners* and that the shift commander must be apprised of the use of therapeutic restraints.

- c. Special Psychiatric Evaluations - The Contractor must perform evaluations within 30 calendar days of referral including, but not limited to: parole, commutation, consultation-liaison, medical assistance and related applications, and placement on outside details. This also includes the completion of a CPE for all community re-entry and placement in mental health community corrections centers or similar facilities, and evaluations of Guilty, but Mentally Ill (GBMI) Category I and Category II prisoners.
- d. Discharge Planning – The Contractor must review and co-sign all discharge summaries for all prisoners discharged to lower levels of care within the MDOC continuum of care.

This will be done through the EMR. The Contractor's psychiatrists will work closely with pharmacy and other members of the integrated care team to ensure continuity of care for inmates that are preparing for release or transfer.

- e. Involuntary Treatment Hearings – The Contractor must evaluate and review MDOC reports related to involuntary treatment hearings and determine whether a prisoner requires emergency involuntary administration of medication based upon the prisoner's mental illness. The Contractor may also need to participate in the hearing process at another facility (not the one they work at).
- f. Inpatient Psychiatric Misconduct Review Form – The Contractor must participate with the MDOC mental health team in reviewing prisoner misconduct at WCC. The Contractor must participate with the mental health team in reviewing the prisoner's health record and relevant reports to determine a prisoner's mental health status and responsibility for the alleged behavior.

Administrative Segregation – The Contractor must provide any necessary psychiatric services to prisoners who are in administrative segregation. The Contractor must utilize motivational interviewing with a therapeutic approach.

The Contractor's psychiatric practitioners will collaborate with the treatment team for individuals whose behavior and mental health symptoms would respond more effectively to an interdisciplinary approach to behavioral management support and actively participate in planning for an effective transition from segregation as appropriate.

- g. Medication Renewals – The Contractor must ensure that prisoners are seen timely and prior to their medication's expiring in order to prevent a lapse in medication. See the table in Section 3.1.C.2.b **Minimum Mental Health Documentation and Medication Timeframes** for the definition of timely.

5. Substance Abuse Assessment and Treatment Services

Currently, Substance Abuse Services are provided by trained MDOC staff and contracted licensed treatment

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practitioners. Substance Abuse Treatment will continue to be provided by this contractor and is out of scope for this contract. Many inmates with Substance Use Disorders (SUD) also have a co-occurring mental illness, and those with a mental illness may also have a co-occurring substance use disorder. Treatment using evidence based interventions that address the co-occurring conditions is essential.

- a. The Contractor must assess inmates for co-occurring mental health and substance use disorders. Inmates with co-occurring disorders must be treated for both disorders using a coordinated approach delivered by appropriately trained staff using evidence based practices.
- b. The Contractor must be trained in recognizing and assessing co-occurring conditions.
- c. The Contractor must provide overall medical oversight for those prisoners receiving substance abuse services by MDOC staff or contracted licensed treatment practitioners.
- d. The Contractor must provide an individualized care plan for those patients with a co-occurring disorder who are on multiple medications. The plan must assess the appropriateness of the medication, and whether it is safe and effective given their comorbidities.

C. Pharmaceutical Services

The Contractor must provide purchase and delivery of pharmaceuticals for prisoners housed in the MDOC facilities and active analysis and support of prescribing patterns, costs and formulary toward maximum efficacy and efficiency, and to minimize waste and cost.

1. The services required include:
 - Mail order dispensing, processing, and delivery
 - Local backup pharmacies for all MDOC correctional facilities
 - Operation of an on-site pharmacy located at DWH in Jackson, MI
 - Active leadership in Pharmacy and Therapeutics processes and reporting
2. MDOC reserves the right to purchase hemophiliac products and other medications utilizing 340B pricing from other sources, at the sole discretion of the MDOC, throughout this Contract period.
 - The Contractor can also explore ways to utilize 340B pricing throughout the contract period.
3. The Contractor must also provide support to the providers in developing a comprehensive medication management process.
 - Assist in optimizing the number of medications taken by prisoners
 - Increases patient adherence to medications
 - Prevents adverse drug reactions
 - Improves patient quality of life
 - Decrease overall spend by the State of Michigan.
4. The response time for pharmaceutical orders for the inpatient units at the on-site pharmacy must be filled on an urgent and emergent basis.
5. On a Statewide basis MDOC staff will require electronic on-line and telephone access to customer service representatives 24 hours per day, seven days per week.

The Contractor must utilize their pharmacy subcontractor (PharmaCorr, Inc.) to provide an integrated, direct-line relationship between healthcare (medical, behavioral health, dental) and pharmacy. The Contractor and their pharmacy subcontractor work as an integrated team to improve clinical outcomes and reduce healthcare costs by decreasing drug costs and identifying medically unnecessary medications, therapeutic duplications and cost effective alternatives.

The pharmacy subcontractor provides proactive formulary management, in addition to the standard retrospective review/management.

The pharmacy subcontractor will ensure the requisite pharmacy services are provided for MDOC, including (but not limited to) the following:

- Mail order dispensing and processing and delivery;
- Local backup pharmacies for each MDOC correctional facility;
- Operation of an on-site pharmacy located at DWH in Jackson, Michigan; and
- Active leadership in Pharmacy and Therapeutics processes and reporting.

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The pharmacy subcontractor will integrate pharmacy services throughout the spectrum of medical, behavioral health, dental and other health services for MDOC. The pharmaceutical information the subcontractor gathers is shared with the Medical, Behavioral Health, IT, Operations, and Management teams.

The pharmacy subcontractor will ensure the requisite response time (i.e. filled on an urgent and emergent basis) for pharmaceutical orders for the inpatient units at the on-site pharmacy. They will provide Internet and telephone access to customer service representatives who are available 24 hours per day, seven days per week.

1. Medication Orders

- a. The Contractor must be able to transmit prescription orders via an electronic modality that must interface with the MDOC EMR in all facilities.
- b. The Contractor is responsible for the necessary equipment, supporting hardware and software, and provides necessary training to accomplish the capability to function in an electronic environment.
- c. The equipment/system used by the Contractor must, at a minimum, provide the following capabilities at each facility:

1. Provide properly labeled medications including; prisoner name and number, date of birth, route and times of administration, total number of doses or days of medication, discontinuance date, and expiration date.

Medication labeling will adhere to applicable federal and State law and MDOC policy and procedures. Each medication package will be labeled with two identical labels. Prescriptions that require refilling will contain a peel off label affixed to the blister card to expedite re-orders by fax.

The pharmacy subcontractor provides a computer generated delivery manifest to accompany each medication delivery order to MDOC facilities. The pharmacy subcontractor also provides a proof-of-use (POU) sheet to enable documentation of administered controlled drugs and contingency medication

2. Provide up to date formulary information in an electronic system.
3. Provide for an electronic alert that the refill requested is too soon.
4. Provide patient medication profile.
5. Include bar coding on all prescriptions.
6. Provide notifications of contraindications (e.g. drug interactions, drug allergy, incorrect dose, non-formulary, etc.).

To provide notifications of contraindications, the pharmacy subcontractor employs clinical pharmacists who perform clinical pharmacy interventions before a prescription is filled. For each medication order, a pharmacist performs a profile review on the patient checking for drug interactions, allergies, duplicate medication orders, and monitoring lab values (such as INR for new warfarin orders).

7. Provide the ability to print a hard copy at the facility for all orders transmitted.
8. Provide an alternative means of transmitting prescription orders in the event the primary system is non-operational.
9. In the event the MedRoom system or the Internet is not available, the pharmacy subcontractor has a fax system as backup. They maintain a bank of fax machines capable of handling eight fax lines. Each faxed page is given a unique identifying number. Interface with the MDOC prisoner tracking system (CMIS/OMNI/OMS) to ensure medications are delivered to the appropriate facility, interface with the MDOC EMR, e-prescribing, and the MDOC eMar/PharmRX once available.
10. The pharmacy subcontractor's MedRoom systems have the capabilities to interface with the

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MDOC prisoner tracking system (CMIS/OMNI/OMS), to ensure medications are delivered to the appropriate facility. Provide patient information packets that must be sent with all medication orders.

- d. The Contractor must provide the capability of automatic refills for all non-PRN (Pro Ra Nada, meaning as needed) medications that do not require MDOC staff input to generate the auto refill.
- e. The Contractor must provide a mechanism to ensure duplicate orders are not processed.
- f. The Contractor must provide a proactive analysis of refill frequency and intervene to ensure medications are not refilled too soon, utilizing best practices related to refill-too-soon requests.
- g. The Contractor must provide a mechanism for electronic check in for all medication orders at no cost to the MDOC. This technology will be done through MedRoom and Auto Med systems and must include, but will not be limited to:
 - The scanning in of orders, reconciliation of shipment received to invoice/original order and medication returns.
 - All equipment/software (bar code scanners, etc.) needed for the electronic process must be provided to the MDOC at no cost.
 - There must be one bar code scanner per facility with the ability to have a replacement within 24 hours if needed.

The pharmacy subcontractor will utilize bar-coding technology as the mechanism for electronic check-in for medication orders. The pharmacy subcontractor's integrated electronic systems will include (but are not limited to) scanning in of orders, reconciliation of the shipment received to the invoice/original order and medication returns. The pharmacy subcontractor must provide the equipment/software (bar code scanners, etc.) needed for the electronic process at no additional cost to MDOC. This will include at least one bar code scanner per facility, with replacements provided within 24 hours (when necessary).

- h. The Contractor must provide electronic on-line and telephone access to customer service representatives 24 hours per day, seven days per week.

2. Mail Order Delivery of Prescriptions

- a. The Contractor is responsible for the mail order delivery of prescriptions. Pharmaceuticals must be dispensed in blister cards or similar unit dose packaging, providing accountability of drugs administered security, cost effectiveness, and ease of storage and distribution, and must be sorted and bundled by prisoner for ease of identification.
- b. Restricted medications must have clearly identifiable labeling.
- c. Prescription packaging must be labeled to meet MDOC, State and federal labeling requirements. The MDOC requirements can be found in MDOC Policies and Procedures.
- d. Blister cards must have the capability to contain a 30 day supply of pharmaceuticals or the specific quantity ordered by the on-site medical provider.
- e. The Contractor must have a process for splitting pills when cost effective and the criteria for determining a medication can be appropriately split.
- f. The Contractor is responsible for routine and emergency delivery of medications. The following standards must be followed by the Contractor:
 - 1. The Contractor must deliver routine dispensed pharmaceutical orders received by the mail order pharmacy by 3:00 p.m. Eastern Standard Time (EST) the day following the transmission of the prescription order from the MDOC facility to the mail order pharmacy.
 - 2. Routine delivery will be Monday through Saturday within the next business day of receipt of the order.
 - 3. Routine delivery is NOT expected on the following holidays: Christmas (December 25), New Year's Day (January 1), Memorial Day, Independence Day (July 4), Labor Day, and Thanksgiving. Deliveries ARE expected to happen on the following: the day after Thanksgiving Day, Veterans Day, Christmas Eve, and New Year's Eve. The Contractor must provide a preliminary plan for holiday and emergency deliveries. The final plan must be submitted for approval by the MDOC Contract Program Manager within 10 days of Contract award notice.

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4. The Contractor must provide emergency delivery of medication within four hours of placing the order. Emergency delivery must be available 24 hours per day, seven days per week.
5. All delivery costs are the responsibility of the Contractor, including any fuel surcharges or additional shipping costs, including delivery of pharmaceuticals purchased at local pharmacies.

3. On-site Pharmacy

- a. The Contractor is responsible for the ownership and management of the on-site pharmacy at DWH.
- b. The Contractor must complete a physical inventory of all medication stock at Contract start.
- c. The Contractor must provide bulk pharmaceuticals to the on-site pharmacy.
- d. The Contractor must complete all inventories of the on-site pharmacy.
- e. The Contractor must utilize existing civil servant staff (two pharmacists and two pharmacy assistants) and supplement additional Contractor staffing as needed. This specifically includes providing a licensed Pharmacy Technician at C Unit.
- f. The Contractor is the owner of the pharmaceuticals at the on-site pharmacy until they are dispensed for use to the MDOC prisoners.
- g. The Contractor must dispense pharmaceuticals from the on-site pharmacy in blister cards or single doses. The Contractor also must have the ability to supply compound intravenous solutions to the inpatient units.
- h. The Contractor must conduct operating hours at the DWH pharmacy from 7:00 a.m. – 7:00 p.m. Monday – Friday and 8:00 a.m. – 4:30 p.m. weekends and holidays. The Contractor must make their pharmacists available to answer pages/calls and come to the facility after hours as needed. Additionally, there are MDOC staff who work in the pharmacy who will continue to be supervised by MDOC.

4. Rebates/Discounts/Revenue

- a. The Contractor must provide complete transparency and an audit trail for all discounts, rebates, and other revenue to the MDOC on a quarterly basis.
- b. The Contractor must fully disclose the types of rebates/discounts/revenue they are currently receiving.
- c. The Contractor must participate in a revenue audit upon completion of the first year of the Contract. Failure to disclose all revenue to the MDOC as a result of the revenue audit finding may constitute a material breach of the Contract and could result in Contract termination.
- d. The Contractor must conduct a review of rebate contracting and program performance, at least quarterly, with representatives from the Department.

The Contractor must provide the Department with an ongoing detailed analysis of the rebates they receive as an organization, and an explanation of the medications that were used by the MDOC along with the rebate percentage they received. The contractor will include all rebates accrued/paid in the risk share PPPM for monthly reporting purposes.

5. Medication Returns

- a. The Contractor must provide a method for return and credit for all medications returned in accordance with Michigan Public Act 329 of 2004.
- b. The Contractor must identify which medications can be returned and the credit that will be issued to the Department on a monthly basis. The Contractor must provide credit for reimbursement for all medication returns at the dispensed price.
- c. The Contractor must provide credit for split medications.
- d. Expenses, including shipping costs of the returned medication, are the responsibility of the Contractor.
- e. The Contractor must provide written documentation of all drugs returned for credit and disposal including the justification when credit is not given.
- f. All returns must be addressed within seven days of receipt of the return. The report must be provided

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back to the institution documenting the credit by drug and the reason for no credit. This must reconcile to the returns submitted by the facility and must be submitted to the facility bi-monthly.

- g. The Contractor must provide a reconciliation method for returned and disposed medications that reconciles to the return log based on the date dispensed. The returns/disposals must be reconciled in the month following the month of return.
- h. The State will not pay any fees for processing the return of any drugs at any time throughout the duration of the Contract. This includes, but is not limited to: expired medication returns, shipping errors, etc.
- i. The Contractor must have a documented process to address discontinued medications and recalls of medications. These protocols must include, but not be limited to: notification procedures, timeframes for notification, and methods of returning or disposing of recalled medications.

6. Disposal of Medication

- a. The Contractor must provide a consistent Statewide mechanism for the disposal of all medication including restricted and narcotic medications. All costs associated with the disposal of medications are the responsibility of the Contractor. The Contractor must follow the Michigan Department of Environmental Quality (MDEQ) requirements related to pharmaceutical waste. .
- b. The Contractor must utilize a best practice for disposal of single dose, non-narcotic medications on-site, which must be approved by the MDOC.

7. Non-formulary Request System

- a. The Contractor must have a dispensing system that verifies that inmate medications are in accordance with MDOC's drug formulary.
- b. The Contractor must have a documented mechanism in place to allow the MDOC CMO or designee to authorize non-formulary or alternate medication where clinical need dictates.
- c. The Contractor must establish a non-formulary approval process and a feedback mechanism to the CMO/Assistant Chief Medical Officer (ACMO) in the event a non-formulary medication is ordered without the appropriate use of a non-formulary request form. This feedback system must be such that the continuity of patient care is not compromised or unduly disturbed with respect to expediting the medication order.
- d. The Contractor must ensure when a 10-day emergency non formulary medication is prescribed, the Contractor must ensure the system does not allow refill without approval past the 10 days.
- e. The Contractor must provide the pharmaceuticals for the physician prescribing boxes maintained by the on-site primary care provider, the emergency box, dental dispensing boxes, and the mental health provider boxes. The MDOC CMO will approve the pharmaceuticals that must be included in the prescribing boxes.

8. Generic Medications

- a. The Contractor must ensure formulary medication is generic whenever possible. If a generic medication cannot be used for a specific patient, a non-formulary request must be initiated by the on-site practitioner for both the medical and mental health disciplines. The Contractor must dispense generic medication unless, as a result of contracting, cost and/or rebates, a branded medication offers an economic advantages to MDOC.
- b. The Contractor must ensure generic medication be substituted for brand name unless otherwise indicated by the primary care provider on a non-formulary request form. The Contractor must ensure availability of generic substitutes and report reasoning for any unavailability and plan target dates for provision thereof.
- c. The Contractor must provide branded drugs, or other preapproved bioequivalent substitutes, at the same acquisition cost of the prescribed generic product, when generic medication is out of stock. The Contractor must provide documentation of the substitution as part of their monthly reporting packages.
- d. The Contractor must review the drugs that have gone generic on a monthly basis and provide a report of the utilization of the brand drug and the utilization of the generic equivalent to document the transition of the drug. Contractor must dispense generic drug within 30 days of the release of the generic drug.

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**9. Local Backup Pharmacies**

- a. The Contractor must provide local back-up pharmacy distributor/suppliers to provide pharmacy services in the event that the Contractor cannot provide the required pharmaceuticals, in the timeframe required, via mail order (reference Exhibit E).
- b. The orders from the local pharmacy must be for seven days or less (exception for prisoners who are paroling, see Section 3.1.R.6). The local pharmacy mechanism must be used in the event the medication is required prior to the next business day.

The pharmacy subcontractor will utilize the local pharmacy mechanism for emergent need, such as when the medication is required prior to the next business day. To maintain cost efficacy, orders from the local pharmacy will be for the minimum requirement to cover until routine delivery and not for more than a seven-day supply.

- c. Delivery requirements of back-up pharmacy services should be within the operation hours of the pharmacy and within the same business day of receipt of the order.
- d. The Contractor is responsible for all pharmaceuticals purchased from the local pharmacies.
- e. The Contractor is responsible for arranging delivery to the MDOC facility and is responsible for all delivery costs to the facility.
- f. The Contractor will provide a backup pharmacy that must be within 30 miles of the correctional facility. For areas where a local pharmacy is not within 30 miles, the Contractor must state the pharmacy that will be used and the distance from the facility.
- g. The Contractor must negotiate pharmaceutical pricing with the local back up pharmacies. The rate must not exceed 150% of the mail order rates.
- h. The Contractor must implement a process that includes a preauthorization mechanism for all local pharmacy purchases. The mechanism for local pharmacy purchases must be approved by MDOC.

10. Pharmacy Data Interface

- a. The Contractor must provide a secure web-based integrated reporting system for the medical and psychiatric providers to use that provides up to date data (previous days orders must be viewable) on all pharmaceuticals ordered for all MDOC sites utilization management. Access to the web based software must be at no cost with unlimited users for all practitioners.
- b. The Contractor must provide a mechanism for data transmission to the MDOC including examples of the data fields that will be included in the transmission for monthly transmission.
- c. The Contractor must agree that no data related to this Contract be sold or otherwise used for any purpose other than as contemplated by this Contract.
- d. The data fields will be agreed upon by the Contractor and the MDOC prior to Contract start date.
- e. The Contractor must provide the process to turn all of the data over to the MDOC upon Contract expiration. The process must be approved by the MDOC PM.

D. Complex Case Management

The Contractor must play an active role in the weekly facility case management meetings where the most complex cases are discussed.

The Contractor must work collaboratively with the providers to develop approaches for managing prisoners on multiple medications (polypharmacy). As part of this medication management, the Contractor will look at prescribing patterns from site to site. This should involve a medication reconciliation process that looks at potential medication errors including, but not limited to omissions, duplications, adverse drug interactions, etc.

E. Population Health Management

MDOC is adopting several approaches to population health management, including disease registries and epidemiological strategies, to stratify inmates and better manage coordination across all care settings and over a longer period than a single episode of care. The Contractor must prioritize resources and develop care

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management approaches, including pharmaceutical approaches, based on MDOC's population management approach. The Contractor will foster and strengthen their population-based approaches to health management with increased emphasis on evidence-based practice guidelines to lead medical and behavioral health management decisions to positive outcomes as the basis of the program.

The Contractor must continue to leverage technology applications to capture relevant data to monitor patient care and assist the Contractor's clinical team in making the best possible treatment plans and delivery of appropriate and timely care.

The Contractor must collaborate with MDOC to monitor and track disease management, develop clinical goals for chronic care, and use patient registries that measure levels of control and compliance with evidence based treatment strategies by disease, facility, and provider.

The Contractor maintains multiple, disease specific registries to track and support efficient and effective complex care delivery. The Contractor's Clinical Pathways, fortified by evidence-based medicine, provide the foundation for treatment and management of complex patients.

F. On-site Medical, Behavioral Health and Pharmacy Staffing (Also See Section 4.0 Staffing)

1. The Contractor must ensure the staffing complies with all federal, State, and local laws and standards pertaining to recruitment practices, equal employment opportunities, license and certification, and MDOC Policies, Procedures, and Protocols.
 - a. This includes a 24 hour, seven day per week on call program that must consist of qualified medical and behavioral healthcare practitioners that are available to answer questions and assist clinical staff after hours related to medical and behavioral health issues.
 - b. The staffing mix must also include practitioners that have experience in management of comorbid conditions, and at least one practitioner must be experienced in women's health and gerontology.
 - c. A lead practitioner must be designated at each facility.
 - d. The State CMO and CPO will have final authority over clinical decisions related to the Contract.
2. The Contractor must ensure that all medical and behavioral health practitioners and pharmacists have the appropriate licenses to practice in the State of Michigan and that they possess a current license, are in "good standing," and that their license is not otherwise impaired. All practitioners that pass the Contractor credentialing process must be submitted to the MDOC CMO/CPO for approval, prior to a hiring decision and pending the criminal background check that will be completed by the MDOC.
3. The Contractor must ensure that all newly hired practitioners, pharmacists, and pharmacy technicians will receive 40 hours of new employee training prior to working inside an MDOC facility. Additionally, the practitioners will be required to meet the annual training requirements outlined in the New Employee and In Service Training Manual.
4. All pharmacists providing medication for prisoners housed in Michigan facilities must have State of Michigan Pharmacy licenses.
5. The Contractor must develop and implement a continuous professional education program for their practitioners that include education on topics specific to the delivery of medical and behavioral healthcare to prisoners, comprehensive medication management, and polypharmacy prevention and reduction. Topics will be based on recommendations from:
 - Performance Improvement Committee,
 - Results of audits of service delivery
 - Contract compliance reports,
 - Other training needs as identified by the MDOC
6. The Contractor must ensure that all facilities have the appropriate levels and quantities of qualified medical and behavioral health practitioners for current and future populations. The Contractor must include practitioners and pharmacists that are experienced with comorbid conditions in accordance with the Four Quadrant Model and the prisoner population levels in each quadrant. A qualified medical professional is an MD, physician assistant (PA), or nurse practitioner (NP).

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7. The Contractor must ensure that appropriate supervision is provided to the mid-level practitioners in accordance with State of Michigan Licensing requirements.
 - Collaboration agreements must be established for all mid-level practitioners.
 - The appropriate level of supervision includes eight hours of on-site supervision per week, work review and consultation which is designed to enhance the mid-level practitioners' ability to deliver the appropriate level of care to the prisoners.
8. The Contractor must have a plan for staff coverage for practitioners who will be taking time off work, and the plan must be approved by the MDOC CMO/CPO prior to the time off is approved.
9. The Contractor must optimize provider productivity to assure that providers are engaged in patient care and performing duties for which they are licensed. Providers must play a role in the scheduling of their visits to coordinate appointments to minimize duplicate visits and limit unnecessary prisoner movement.
10. The Contractor must receive the MDOC's approval prior to hiring any current or previous MDOC employees.
11. The Contracted employees working at an MDOC facility must use their timekeeping system.
12. The Contractor is responsible for 24 hour on call health care coverage at DWH and 24 hour phone coverage for behavioral health care needs at WCC. The coverage at these locations will also include calls and questions from all other MDOC facilities.

G. Prescription Drugs and Medication Management

1. The Contractor must educate their practitioners on the MDOC Formulary and ensure that they are in compliance with the MDOC Formulary. Additionally, the Clinical Pharmacist will work with MDOC CMO/CPO when new drugs or treatments become available to determine their appropriateness for admission to the formulary. The Contractor must provide the MDOC formulary to the practitioners.
2. The Contractor must implement a protocol to regularly review issues related to polypharmacy and provide additional education and guidance to practitioners where issues related to polypharmacy are identified.
3. The Contractor must ensure that all medications, including psychotropic medications, are prescribed by licensed medical and behavioral health practitioners in accordance with sound medical and behavioral health practice and that all prescribers have the appropriate licenses to prescribe medical and psychotropic medications according the State of Michigan Board of Pharmacy licensing requirements. The Clinical Pharmacist will work with providers to ensure they know how medications are dispensed and how information should be communicated to MDOC health care staff.
4. On-site medical and behavioral health practitioners must possess a Drug Control License specific to the address that where the prescribing box is located, and must have a written agreement to delegate authority to a MDOC clinical staff person to access the prescribing box.
5. The Contractor must provide medication management protocols for high cost medications and monitor compliance with protocols. All protocols must be approved by MDOC's CMO/CPO.
6. The Contractor must develop a process to review, authorize, and report on high cost drugs by site and prescriber and other relevant details.
7. The Contractor must provide training to providers on multiple drug regimens, how to identify drug therapy problems, and other issues that may result from complex patients.

Training will include:

- STOPP;
- START;
- De-prescribing tools;
- BEERS' List of Criteria for Potentially Inappropriate Medication Use in Older Adults;
- Polypharmacy; and
- Other areas of medication management

The Contractor will provide reports detailing offender prescription histories with multiple medications to be reviewed for regimen optimization. Reviews will include identification of duplication of therapy, multiple drug class utilization for common disease state and optimal dose, and potentially unnecessary

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medications.

8. The Contractor must ensure that the medication error rate is not more than 0.05% each month for each institution. The Contractor must have a medication error review process to include electronic tracking, reporting and trending of dispensing and administrative errors. The Contractor must respond to the MDOC PM within one business day to any medication error, and provide a response of how the error occurred and resolution so that it does not occur again.

H. Emergency Transport Services

The MDOC owns an ambulance at DWH. The MDOC ambulance transports prisoners within the Jackson, MI area, occasionally transports prisoners from DWH to facilities within 100 miles, and to or from a hospital or assisted living center in non-emergent circumstances. When the ambulance is available, the Contractor can utilize it for transferring prisoners due to non-emergent health issues.

The Contractor must provide a network of emergency ambulance services to prisoners from each MDOC correctional facility. The ambulance service must assure that response time and level of transport services is comparable to community standards, and, whenever possible, within 30 miles of the MDOC correctional facility.

The Contractor will provide emergency ambulance services through its contract with Blue Cross Blue Shield of Michigan (BCBSM) for all MDOC facilities. Each ambulance provider currently meets State of Michigan certification requirements regarding equipment and personnel.

I. MDOC Inpatient Services

The MDOC currently operates two inpatient facilities. DWH is a 152 bed inpatient environment in Jackson, MI for acute and step-down medical services. Prisoners are housed at DWH when their medical needs cannot be met in an ambulatory clinic or in the infirmaries. Primary care, procedure room services, and ER services provided at DWH is considered on-site; however, the specialty care clinics at DWH are considered off-site specialty services. Additionally, prisoners discharged from a community hospital or community secure unit that cannot be returned to general population are housed at DWH to recover until they are able to function in the general population environment. WCC is a 200 bed inpatient mental health facility. Prisoners are referred to the facility when they are in crisis or their mental health needs cannot be met in the general population ambulatory facility.

1. Practitioners must be available to see patients seven days per week for a minimum of eight hours a day between the hours of 6:00 a.m. to 9:00 p.m. EST.
2. The ER at DWH must be staffed with a medical provider 24 hours a day seven days a week who must also be available to take calls from other facilities. MDOC provides the nursing coverage, paramedics and emergency medical technician (EMT) at DWH.
3. The Contractor must use the above mentioned facilities in an attempt to avoid unnecessary off site services when possible. The Contractor must ensure that admissions and discharges to the units are appropriate and must submit admission and discharge criteria and policies to MDOC's CMO for approval.
4. The Contractor must ensure that the clinical staffing for the above mentioned facilities are appropriate based on the type of prisoner housed there and the level of care necessary for these prisoners.
5. Restraints at DWH: The Contractor is responsible for approving the use of medical restraints at DWH.

J. Off-Site Services

The Contractor must provide a comprehensive network of accessible, high-quality community specialty practitioners that are available to meet the needs outlined below of the MDOC prisoners when their needs cannot be met at the on-site medical facilities.

1. The network must be developed to assure prisoner access to all necessary offsite medical and behavioral health care. The Contractor will have discretion in the selection of hospitals and other service practitioners as long as their use does not impose undue transportation and custody costs as determined by the MDOC PM. The network of services must include, but not limited to: acute care hospitals, mental health facilities, post-acute or skilled nursing facilities, therapy services (including physical therapy), physician specialists, emergency service providers, durable medical equipment services, x-ray and interpretation, independent laboratories, and diagnostic testing centers. The hospitals in the network must be licensed by the State of Michigan and accredited by The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or an accrediting entity otherwise deemed appropriate.

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The Contractor has an established provider network for hospitals and providers for off-site health care throughout Michigan. The Contractor will continue to provide a network of off-site and on-site specialists/consultants through its partnership with Blue Cross Blue Shield of Michigan (BCBSM) and its direct contract with Allegiance Health.

2. The MDOC has two secure units within community hospitals. One is located at Allegiance Hospital in Jackson, MI and the other at McLaren Hospital in Lansing, MI.
 - a. The Contractor must continue to contract with and manage the arrangements with these hospitals for use of the secure units. The cost of the secure units are factored into the Specialty Care Per Prisoner Per Month cost in Exhibit C – Pricing There are 20 beds at Allegiance Hospital and 11 beds at McLaren Hospital.
3. The MDOC has a specialty care clinic area at DWH where Contractor specialists must see prisoners brought from across the State for certain chronic illnesses.
 - a. The Contractor must provide on-site specialties that must include, but not be limited to: audiology, podiatry, nephrology, ophthalmology, orthopedics, oral surgery, liver biopsies, and pulmonary services.
 - b. The Contractor must review the needs within the MDOC and establish additional or modify existing specialty clinics based on the needs of the prison population.
4. The Contractor must be available for consultation (on-call or on-site medical provider) with the nurse regarding prisoners who have been treated off-site for an urgent or emergent condition. For cases where a follow-up appointment is needed, then the prisoner must be seen no later than the next business day. Where an appointment is not needed, the Contractor must complete a chart review within five business days after the prisoner's return to the facility.
5. Off-site specialty medical providers must dictate to the MDOC transcription services.
6. The Contractor will provide on-site specialty services and programs for those prisoners housed at DWH and those prisoners within a 90-mile radius of Jackson. These services include:

PROVEN INFRASTRUCTURE IN PLACE		
SPECIALTY	FREQUENCY/ DAYS/MONTH	PROVIDER(S)
Optometry	20	Nichols Optical
Ophthalmology	4	TLC Eye Care and Laser Center
Dental/Oral Surgery	4	Orson Cardon, DDS Ronnie Sorrow, DDS
Internal Medicine/Infectious Disease	4 (in person) Telemedicine PRN	Craig Hutchinson, MD
Orthopedic	8	Jackson Orthopaedic Care & Surgery
Respiratory		To Be Determined
Audiology	1-2	Allegiance Hospital
Nephrology	4 (Telemedicine)	Valerie Dye, MD
Oncology Telemedicine	PRN	Richard Kosierowski Dr. David Bankole
Podiatry	PRN	Matthew Page, DPM
Cardiology	PRN	Jackson Cardiology

On-Site Specialty Programs:

PROVEN INFRASTRUCTURE IN PLACE	
SPECIALTY	PROVIDER
Physical Therapy	Contractor Therapy Staff
X-Ray	Michigan Radiology
Ultrasound	Global Diagnostics Services
Liver Biopsy	Global Diagnostics Services in conjunction with Dr. Henderson
Emergency Room	Emergency Medicine Consultants
Sleep Study	The Center for Sleep Health

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PROVEN INFRASTRUCTURE IN PLACE	
SPECIALTY	PROVIDER
Telemedicine	Infectious Disease, Oncology, Nephrology (Practitioners listed above)
MRI/CT	Correctional Diagnostic Imaging
Chemotherapy	Contractor Oncology staff in conjunction with Ortele, LLC

7. The Contractor can provide on-site MRIs and CTs at DWH.

K. Utilization Management Program for Health Care and Behavioral Health Services

Utilization management (UM) refers to the evaluation of the appropriateness, medical need, and efficiency of health care services, procedures and facilities according to established criteria or guidelines.

1. The Contractor must have a comprehensive UM program that incorporates pharmaceutical management, and addresses on-site services, off-site services, and inpatient hospitalizations. The UM program must include written criteria based on clinical evidence and procedures for applying the criteria.
2. The Contractor's approach to UM must align with MDOC objectives to:
 - Support management of inmate population consistent with the Four Quadrant model
 - Fully integrate physical and behavioral health services
 - Assure access to evidence based and/or required on-site health services
 - Assure appropriate access to evidence based off site services
 - Safeguard against unnecessary off-site care
 - Support assessment of and quality
 - Support care transitions

The Contractor provides UM with analysis and review of on-site medical services and off-site referrals to preferred providers including sub-specialty and inpatient stays. The Contractor's UM program includes non-urgent hospitalization pre-certification, urgent hospital certification, concurrent review, discharge planning, and prior authorization for targeted procedures and specialty care. The Contractor differentiates itself by providing evidence-based health care focused on the conscientious use of current best evidence for making decisions about the care of individual patients and the delivery of integrated health services. The Contractor's UM process follows Utilization Review Accreditation Commission (URAC) guidelines.

L. Health Care and Behavioral Health Utilization Management Requirements

1. The Contractor must utilize nationally recognized, evidence based UM criteria and clinical guidelines to determine acceptable diagnostic and treatment pathways that will be used to review the appropriateness of all services including labs, therapies, x-rays, and other services. The Contractor must submit criteria and guidelines to MDOC and any deviations from these guidelines must be approved by the MDOC CMO.

The Contractor's UM process follows Utilization Review Accreditation Commission (URAC) guidelines. In addition, the Contractor's UM standards, quality care indicators, and benchmarks reflect guidelines set by the National Committee on Quality Assurance (NCQA). CARF standards of care will be incorporated in the behavioral health program as applicable.

2. The Contractor's UM must include a prior authorization process for specialty and off-site inpatient services.
3. The Contractor must establish timeframes for standard and expedited authorization decisions for both primary and specialty care. The timeframes must not exceed 14 calendar days for standard and three business days for expedited requests. The timeframe begins with the receipt of the authorization request.
4. The UM process must include written notification to the ordering practitioner of all denials and alternative treatment plans within 14 days for routine requests, and within three business days for urgent and emergent requests.
5. The Contractor's UM process must include a mechanism for denial of payment where prior authorization was not obtained for elective/non emergent services/admissions. The criteria must ensure that prisoners are treated on-site whenever possible.

Nationally recognized review criteria from *InterQual* and evidence-based guidance from *UpToDate®* are two tools for this process.

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6. The Contractor's UM decisions must be rendered by appropriately credentialed clinicians.
7. The Contractor must have a process to track all utilization requests, decision, timeframes, and disposition of requests. The Contractor must provide utilization reports according to format and frequency specified by MDOC.

Utilizing the reporting capabilities of MTrax, the Contractor will provide the following to the MDOC:

- Monthly UM reports by institution, identifying the prisoner number, name, diagnosis, requested service (referral, on-site service, off formulary medication, etc.), approval or alternative treatment plans, and reason.
 - Monthly report of alternative treatment plans, by institution, with full copies of all associated review materials.
8. The Contractor's UM program must collect and analyze program monitoring data to identify patterns in use of services by facility, provider, service type; it should be structured to address the potential for under and over-utilization of services, and disease management and clinical decision making should be closely integrated with the overall UM strategy.
 9. The Contractor must be able to stratify inmate population utilization data according to the Four Quadrant model.
 10. From the review of data, the Contractor must be able to design, implement, and monitor targeted interventions designed to address over or under utilization of services.
 11. The UM program monitoring processes must be able to identify triggers for potential issues of and poor quality.

M. Utilization Management Program for Pharmaceutical Services

1. The Contractor must provide 24 hour, seven days per week consulting services related to advising on drug of choice, educating clinicians on drug interactions, new drug protocols, and therapeutic utilization and support.
2. The Contractor must maintain a toll free 800 number for consulting services.
3. The Contractor must provide emergency and routine consultations regarding all phases of the institutional pharmacy operation. These consultations can be requested on-site, or via tele- or video-conferencing.
4. The Contractor must participate as a member of the Medical Services Advisory Committee (MSAC) or clinical management team that discusses prescribing practices, poly-pharmacy, and other pharmaceutical related issues.
5. The Contractor must provide electronic access to updates of pharmaceutical supplies, medication, pricing, and news releases. This includes notification when a medication has a generic equivalent that is on the formulary when a non-formulary request is being completed.
6. The Contractor's system must provide real-time polypharmacy alert electronically as provider enters the medication order.

N. Claims Processing

1. The Contractor is responsible for payment of all facility and professional claims incurred for medically necessary services provided to eligible inmates off-site and in MDOC on-site clinics. The prisoners that are eligible for services are based on the daily census interface that is provided by the MDOC.
2. The Contractor must submit a monthly claims file to MDOC on or before the 20th day of the following month without errors.
3. The Contractor must establish a mechanism to develop a process to ensure that claims are not paid for prisoners who are no longer under the jurisdiction of the MDOC. Any claims paid for prisoners not under the jurisdiction of the MDOC must be financially recouped by the Contractor. Under no circumstances will the State be responsible for claims paid for prisoners not under the jurisdiction of MDOC.
4. All claims paid by the Contractor are considered paid in full. There is no balance billing to the State of Michigan or the prisoner.

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5. The Contractor must obtain information concerning any health insurance the prisoner may have that would cover services that are rendered by this Contract, and must bill and coordinate benefits with any and all third parties prior to paying claims directly.
6. The Contractor must limit its payment to claims billed within 365 days of the date of service.
7. The Contractor must remit payment for clean claims within 30 days of receipts and must provide a monthly report to MDOC of all claims payment and outstanding claims.
8. The Contractor must utilize up-front audits, standard and customized claim edits, and other industry standards and customized processes to assure that claims are correctly billed before they are paid.
9. The Contractor must provide a monthly report of all claims paid to MDOC and to MDOC's Third Party Reviewer. The report must include all fields requested by MDOC. Claim adjustments must be readily associated with the original claim.
10. The Contractor must report estimated Incurred But Not Reported (IBNR) claims costs on a monthly basis. The Contractor must ensure the method for estimating IBNR is based on an approval of services approach that can be reviewed and verified for accuracy.
11. Most MDOC inmates will qualify for Medicaid, which will cover the professional and facility costs of inpatient admissions. The Contractor must work with MDOC and hospitals to assure that eligible inmates are enrolled in Medicaid when an inpatient admission occurs and that hospitals and physicians rendering inpatient care and emergency room care that leads to inpatient admission submit claims directly to Medicaid. The MDOC has staff that conducts the Medicaid eligibility process for prisoners. The Contractor is responsible for notifying the MDOC staff when a prisoner has an inpatient status.
12. The Contractor must work with MDOC and Medicaid to assure that the Contractor has timely access to claims for all admissions billed by hospitals to Medicaid, and the Contractor must include those claims, with appropriate identifying data, in its submittals to MDOC and to MDOC's Third Party Reviewer.
13. In the event that the Contractor pays an inpatient hospital claim that later is determined eligible for payment by Medicaid, the Contractor must reverse the hospital payment and credit the amount to MDOC. This also includes a subsequent refund of any network access fees that were charged with the original claim.
14. The Contractor must ensure its practices are compliant with Internal Classification of Diseases (ICD 10).
15. MDOC requires that Contractor's claims adjudication occurs in a location wholly within the United States. The Contractor performs this activity at their corporate headquarters in Brentwood, Tennessee.
16. The Contractor's claims adjudication processes must be HIPAA compliant.
17. The Contractor's claims will be priced, and pricing disputes will be handled, per the following:
 - Payment of professional claims incurred for medically necessary services provided to eligible MDOC prisoners, with claims paid considered paid in full, with neither balance billing to the State of Michigan nor to the prisoner.
 - Providing a scrubbed monthly claims file to MDOC on or before the 20th day of the following month;
 - A mechanism that ensures claims are not paid for prisoners who are no longer under the jurisdiction of the MDOC;
 - Monitoring for potential third party coverage and pursuing benefit coordination with any identified coverage;
 - Payment limited to claims billed within 365 days of the date of service;
 - Utilization of up-front audits, standard and customized claim edits, and other industry standards and customized processes to assure that claims are correctly billed before they are paid;
 - Monthly claims paid reporting to MDOC and its third party reviewer;
 - Assurance that the hospitals and physicians rendering prisoner inpatient and emergency room care that leads to inpatient admission submit claims directly to Medicaid;
 - Access to claims for admissions billed by hospitals to Medicaid with appropriate identifying data;
 - Compliance with the 10th revision of the International Statistical Classification of Diseases and Related Health Problems (ICD 10);
 - Claims adjudication and claims processing activities occurring wholly within the United States;

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- Health information handled in accordance with applicable procedures established by Federal and State confidentiality of health information laws and regulations; and
- Pricing disputes handled through an established claim appeals process.

Auditing

The Contractor monitors both production and accuracy of claim payments. Examiners are given financial authority based on knowledge and experience.

Eligibility

Inmate eligibility may be imported electronically to ensure claims are processed only for those services where the State is financially responsible. Eligibility can be customized to accept this information from the MDOC management system or entered manually, when care is arranged, by facility staff.

Coordination of Benefits

The Contractor employs the practice of searching for and finding other insurance coverage for prisoner off-site healthcare claims.

O. State of Michigan Electronic Medical Record (EMR)

1. MDOC uses a comprehensive EMR for all inmate health services. The MDOC is moving from NextGen 5.6 to NextGen 5.8 and Knowledge Base Model (KBM) 8.3. This migration is tentatively scheduled to take place in September 2016, but is subject to change
2. The Contractor must use the EMR to maintain a comprehensive, accurate, and integrated medical and behavioral health record for every prisoner housed in an MDOC facility or a private facility housing MDOC prisoners. MDOC currently has 180 provider licenses.
3. MDOC will provide initial training on using the EMR and MDOC EMR documentation requirements to the contracted practitioners. The Contractor must ensure compliance with MDOC EMR documentation requirements.
 - a. The Contractor must provide additional training to those practitioners that are not proficient in the use of the EMR or have been identified via audit/review to not be in compliance with the EMR documentation requirements.
4. The Contractor must ensure that all practitioners exclusively utilize all necessary templates in the documentation process and that all documentation is completed at the time of the visit or when the service is provided. Practitioners receive training through the Contractor's onboarding process and are paired with more experienced users so they can thoroughly understand the system. The Contractor must ensure that all practitioners utilize the provider and psychiatric templates in the EMR including the entire drop down screens in the EMR instead of writing notes on patients. This process will reduce the incidents of error, and allow for reports to be generated.
5. All diagnostic tests, including labs, must be signed off in the EMR within five business days of the results being available.
6. All telemedicine encounters must be entered in the EMR by the close of business on the day of the encounter.
7. The Contractor must adhere to, and comply with, all protections outlined in HIPPA.

All staff is required to complete mandatory annual HIPAA training through the Contractor's online LMS (Learn Management System). Course completion and test results are maintained for reference.

8. The Contractor is responsible for all interface costs related to the connection to MDOC and other contractor programs that work in conjunction with this Contract.

P. Electronic Medication Administration Record (eMAR)

1. The Contractor must use the MDOC system (eMAR/PharmRX). If the Contractor chooses to interface the MDOC system with their system, the Contractor is responsible for all interface costs including necessary State information technology charges.
2. The Contractor must use an HL7 format.
3. The MDOC eMAR will not be available at the start of the Contract, so the Contractor must provide paper

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MARS monthly and when new orders are written until such time that the MDOC eMAR is available. An estimated date for eMAR implementation is early 2019.

Q. Reentry and Discharge Planning

The MDOC Prisoner Reentry Program can be a major contributor to lower recidivism rates in Michigan. Comprehensive reentry planning begins at intake and continues until the inmate is released to the community. Successful reentry and inmate transition to the community relies on strong community partnerships and collaboration among the various internal MDOC entities.

The Contractor must work with various MDOC departments, community service practitioners, insurance carriers, and health and human service agencies to help ensure that inmates receive needed resources and guidance after release.

The Contractor must collaborate with the MDOC to not only support and facilitate reentry-planning services, but to evaluate, monitor, and modify the system for the effectiveness, adequacy, and continued enhancement of the reentry process. The Contractor must provide processes to assure continuity of care for prisoners with communicable and chronic illnesses, including mental illness, for prisoners that will be leaving the jurisdiction of the MDOC.

1. Continuity of Care – The Contractor must support MDOC efforts to transition prisoners with medical and/or behavioral health needs to the community and/or other State agencies as appropriate. This includes, but is not limited to an assessment of the prisoner's mental and physical healthcare status and needs prior to release, instructions and assistance in utilizing Medicaid health care services (if applicable), and necessary medications.
2. Planning – Any prisoner currently on medication that is leaving the jurisdiction of the MDOC and is on prescription medication that should be continued after release must be provided with a 30-day supply of that medication at release.
3. Coordination of Community Resources – The MDOC has discharge planning staff that is responsible for planning and coordination of community resources for prisoners with significant medical or behavioral health issues who are released into the community. The Contractor must provide any relevant documentation needed for post release planning, and answer any medical or behavioral health questions from the discharge planners.
4. ACA – The Contractor must support transitions into health coverage along with providing any required documentation requested from MDOC discharge planning staff related to eligibility for the HMP, including, but not limited to, the completion of any paperwork for Medicare, Medicaid, Michigan Department of Health and Human Services (MDHHS), and Social Security.
5. Veteran Affairs (VA) – Saginaw Correctional Facility (SRF) serves as the hub location for assessing prisoners for potential VA benefits. The Contractor must assist with any forms, paperwork, documentation and examinations that must be completed as part of this assessment.
6. The Contractor must provide a process for release of medications that will be given to prisoners paroling or discharging from MDOC facilities, which must incorporate the use of the Pharmaceutical Medication Access Programs (free medication program), and include a 30 day supply.
7. Reentry Project for Offenders with Special Needs (RPOSN) – The MDOC has a contract for RPOSN, which is designed to facilitate the successful reentry to the community for offenders deemed to be at high risk of return to prison due to mental illness. The Contractor will not be responsible for any services, but may need to answer any questions related to an offender's medical or behavioral health information in the EMR.

R. Performance Improvement/Quality Assurance

MDOC operates a Performance Improvement (PI) Team that is the central point for managing and measuring activities related to quality assurance and quality improvement. The PI Team is responsible for developing and implementing programs and strategies that improve quality of care, enhance medical and behavioral health care operations, and assure responsible management of offsite services. The PI Team will incorporate the Four Quadrant model and the Wagner Chronic Care model into its initiatives.

1. The Contractor must participate in PI Team activities at the facility and the Statewide level as needed, and must act as a resource on relevant quality improvement projects to develop objectives that ensure high

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quality, medically necessary, cost-effective medical and behavioral healthcare is available to all prisoners, and that protocols developed are followed.

The Contractor has developed a unique Continuous Quality and Safety Improvement (CQSI) Program as a new standard of excellence in Continuous Quality Improvement. The Contractor has expanded CQI to include patient safety as a key component to continuous improvement.

Evidence-based research from the Agency for Healthcare Research & Quality (AHRQ) provides data showing that safety improves with motivated healthcare workers who perform as respectful teams holding themselves and each other accountable for delivering safe, quality care to patients.

2. The Contractor will be responsible for examining its processes and identifying opportunities to streamline, improve, and optimize health care processes, outcomes, and cost. The Contractor's PI plan must incorporate MDOC strategic objectives and PI Committee priorities. The Contractor must provide the PI Committee with its internal Performance Improvement/Quality Improvement (QI/PI) plan and the results of internal QI/PI activities, within applicable statutory/regulatory peer review protections.
3. The Contractor must utilize MDOC forms and templates for identifying, tracking and completing performance improvement activities.
4. The Contractor must also conduct peer review activities that comply with national standards for all practitioners.

Peer reviews are completed by individuals with at least equal credentials and training. Annual peer review is required as part of the Contractor's three year re-credentialing requirement for practitioners.

5. The Contract must provide for quarterly pharmacy audits of MDOC institutions verifying inventories, expired medications, disposal of medications, MDOC processes related to medication security (medication box seals and logs), etc. The audit must ensure consistency with the State of Michigan pharmacy requirements.

S. Telemedicine/Off-Site Transportation

MDOC owns and maintains telemedicine units at several facilities. Most often, the technology has been used for mental health services.

1. The Contractor must increase the use of telemedicine for medical care and must maintain or increase its use for mental health services.
2. The Contractor must utilize telemedicine for conducting follow-up appointments and consultations with specialists. This practice will also offset off-site transportation costs. The Contractor will work collaboratively with the MDOC to develop a process for increasing the use of telemedicine for off-site specialty care visits and appointments. Additionally, there may be some cases where telepsychiatry will not work, and the Contractor will have to work with MDOC to ensure appropriate treatment.
3. The Contractor must prepare reports on a monthly basis that analyze telemedicine use as a means for addressing staffing vacancies, and those that were used in lieu of off-site specialty visits. The Contractor and MDOC will work collaboratively to develop benchmarks for cost savings associated with a decrease in off-site transportation. If cost savings are achieved, then they will be reinvested in the technology infrastructure, then shared with the Contractor if any funds remain.

T. Prison Rape Elimination Act of 2003, Public Law 108-79, Sept. 4, 2003 (PREA)

The Contractor must comply with the Prison Rape Elimination Act of 2003 and MDOC's PREA Prevention Plan. The Contractor must immediately refer any allegations or forms of sexual abuse or sexual harassment (staff-on-prisoner and prisoner-on-prisoner) to the MDOC Contract Monitor in writing. The Contractor must ensure compliance with the applicable standards of the PREA at <http://www.gpo.gov/fdsys/pkg/FR-2012-06-20/pdf/2012-12427.pdf>. The MDOC Program Manager's designee will serve as the PREA Compliance Manager.

U. Strategic Initiatives and Opportunities

The MDOC, as part of BHCS' strategic plan, is working to strengthen partnerships with colleges, universities, and community stakeholders as a means of expanding MDOC's knowledge base of best practices related to correctional health care, and to strengthen diversion programs and preventive approaches to reduce incoming prisoners. The Contractor is expected to engage in developing these partnerships with MDOC.

1. The Contractor, in collaboration with MDOC, must pursue affiliations with colleges and universities, where appropriate, as a way of enhancing recruitment and potential training opportunities.

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2. The Contractor, in collaboration with MDOC, must develop collaborative relationships with community medical and behavioral health practitioners to identify opportunities for collaboration, protocol development and management, training opportunities and peer review activities.

340B Pharmacy Program

The Contractor/pharmacy subcontractor has very cost effective agreements in place for the purchase of pharmaceuticals, but implementation of a 340B program has the potential to generate significant savings for the MDOC, particularly as it relates to medications for the treatment of HIV and Hepatitis C.

V. Integrated Care Learning Collaborative

The Four Quadrant and Wagner Chronic Care models of care will improve outcomes at both the individual and population level. Both also require new data, processes, tools, and approaches that are largely new to the corrections setting.

- MDOC has designed a pilot project that will use integrated teams of medical, nursing and behavioral health practitioners to deliver care to complex inmates using a team approach. The Contractor will participate, at MDOC's request, in future implementation of this collaborative.

W. Other Requirements

1. The MDOC has a third party reviewer contract which assists MDOC in assessing services provided under this Contract, including, but not limited to: trends and utilization management, review and enforcement of Service Level Agreements (Exhibit D), review and monitoring of claims data, and site visits related to contractual obligations. The Contractor must provide all requested information (claims, billings, payroll, relevant data, etc.) to the third party reviewer, copying the MDOC Program Manager. No assessments, audits, or reviews of Contractor's compliance with the terms of this Contract, other than those conducted by MDOC and MDOC's third party reviewer, will have any influence or effect on this Contract. The Contractor does not have any financial responsibility for the payment of the third party reviewer.
2. The Contractor must attend a quarterly strategic planning meeting with BHCS leadership to discuss promising and best practices, progress on BHCS strategic initiatives, and opportunities for improvement; review trend data to identify future medical and mental health needs of the population; and present suggestions to MDOC for other strategic initiatives. This meeting will provide all partners with an opportunity to discuss ways to enhance and improve BHCS services.
3. The Contractor will be responsible for all laboratory and phlebotomy supplies.
4. The Contractor is responsible for the purchase and maintenance of all patient specific durable medical equipment. The Contractor must provide prosthetics and orthotics with prior approval of the MDOC and these must be purchased within 10 days of the visit identifying the need for the equipment.
5. The Department currently operates under a federal (Hadix) consent decree at RGC, DWH, C Unit, and the dialysis unit at the Ryan Correctional Facility. The MDOC has been, and continues to address and resolve, the issues necessary to close the consent decree. Federal court-appointed experts monitor MDOC's compliance with the consent decree. Additionally, Women's Huron Valley Correctional Facility has recommendations it is working on from the Department of Justice.
6. MDOC has received Health Professional Shortage Area (HPSA) designation for facilities throughout the State.
7. An Advance Directive will alert health care staff of an offender's wishes with respect to resuscitation, except in the case of a life threatening condition brought about by a suicide attempt, hunger strike, or other self-injurious behavior. The only form that MDOC will accept for an Advance Directive is the Advanced Directive Form.

X. Optional Program Enhancements

Reference Exhibit F.

3.2 Transition

Transition Plan

- A. The Contractor must provide a high level transition project plan. This plan must include high level milestones, deliverables, key activities for the transition phase, critical tasks, and the person responsible for those tasks. The plan must ensure uninterrupted continuity of care to MDOC prisoners is maintained throughout the transition. Within 10 days of Contract effective date, the Contractor must submit a revised, expanded, detailed

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narrative of their transition plan. The Contractor must continue to revise the transition plan and submit to the MDOC Program Manager no less than on a monthly basis until all items have been successfully implemented, per the MDOC Program Manager's input on progression of, or acceptance of, each item.

- B. The prisoners that currently have a treatment plan at the time of the Contract award will continue with their current plan until it is completed. The Contractor will be financially responsible for the costs of the current treatment plan through its completion.
- C. The Contractor's transition plan must ensure they work in partnership with the MDOC, all subcontractors, all specialty service providers, and current MDOC health care practitioners to deliver uninterrupted clinical and administrative services that ensure the continuity of care to the prison population, including infrastructure of systems, staffing, and practitioners. The Contractor is responsible for a customized plan of action to ensure a seamless transition in all aspects of contracted services. To accomplish this, the Contractor activities must include, but are not limited to, the following:
 - 1. Regular, scheduled communication with key MDOC and subcontractor personnel and specialty services providers;
 - 2. Deployment of Contract and transition management teams;
 - 3. Recruitment initiatives designed to retain incumbent personnel;
 - 4. Implementation of a comprehensive orientation and in-service training program;
 - 5. Transition of services from current contractors;
 - 6. ACA transition and implementation activities;
 - 7. Development of specialty network activities;
 - 8. Development of reporting formats to include sample reports and encounter data submission testing and acceptance;
 - 9. Pharmaceutical utilization management plan;
 - 10. Local backup pharmacies that will be used;
 - 11. Rebate/discount/revenue calculation methodology;
 - 12. Pharmacy data transmission plan, and
 - 13. Interface development and testing schedule (NextGen, OMNI, OMS).

Post Transition Review

- A. The Contractor must conduct a post-transition survey process to provide an internal evaluation and assessment of the program implementation approximately 90 days after the services "Go Live" start date. The post-transition survey must include items relative to all important start up activities and compliance with key Contract provisions, and mutually agreed by the MDOC Program Manager and the Contractor. The Contractor's survey team must visit each geographic region and review accomplishments, opportunities for improvement, and compliance with the transition plan and key Contract provisions. Survey results must be submitted to the MDOC Program Manager.

End of Contract Conversion Responsibility: At Contract expiration or termination, the Contractor must work with State personnel and other contractors, if applicable, to convert or transition all services and data into an acceptable format for uploading into or importing into a State owned database (also see Standard Contract Terms, Sections 25 and 32.e).

3.3 Training

The Contractor must provide the following training:

All on-site staff provided by the Contractor must attend the MDOC's pre-service training as well as the required annual MDOC computer or basic service training. These programs will be provided at no charge to the Contractor. The Contractor will be responsible for payment of the Contractor staff salaries, benefits and other expenses, while attending any MDOC required training. All training provided to Contractor staff by MDOC must be documented on MDOC Form CAH-854.

A. New Employee Training

The Contractor is responsible for providing all mandatory training, as noted below, of all new on-site practitioners and specialists. Contractor must maintain all training records for each employee and specialist and have them available for MDOC review as requested.

- 1. Forty hours of new employee training for on-site practitioners utilizing MDOC approved training modules, prior to the practitioner being allowed access into a facility. MDOC will provide the training discs.
- 2. Twenty hours of new employee training for specialists that work inside the facility independently of nursing support, prior to the specialist being allowed into a facility.
- 3. Eight hours of National Corrections Training Program on HIV.

B. Mandatory On-going Training

- 1. Training on updated and new policies within 30 days of the effective date of the new policy, as needed.
- 2. Written sign off to attest on-site practitioners received information on Policy and Procedure changes.
- 3. Sixteen hours of annual updated training detailed by the MDOC.

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4. Forty hours of certified Continuing Professional Education (CPE) clinical related training. The required 40 hours of CPE annual clinical training are required to fulfill the Continuing Medical Education (CME) requirement.
 5. Updates on HIV training, as necessary.
 6. Certification in cardiopulmonary resuscitation (CRP)/automated external defibrillator (AED).
 7. Program available to practitioners for CME and Continuing Education Units (CEU).
- C. EMR Training – The initial EMR training will be provided by the MDOC. The Contractor must then develop a train-the-trainer program and complete all EMR training for their staff.
- D. Pharmacy System Training – Provide on-site training during system implementation for any software and/or enhancements. The Contractor must also provide prospective and retrospective provider education related to pharmacy practices, management and utilization (case by case and globally). This includes Contractor's staff and MDOC staff.

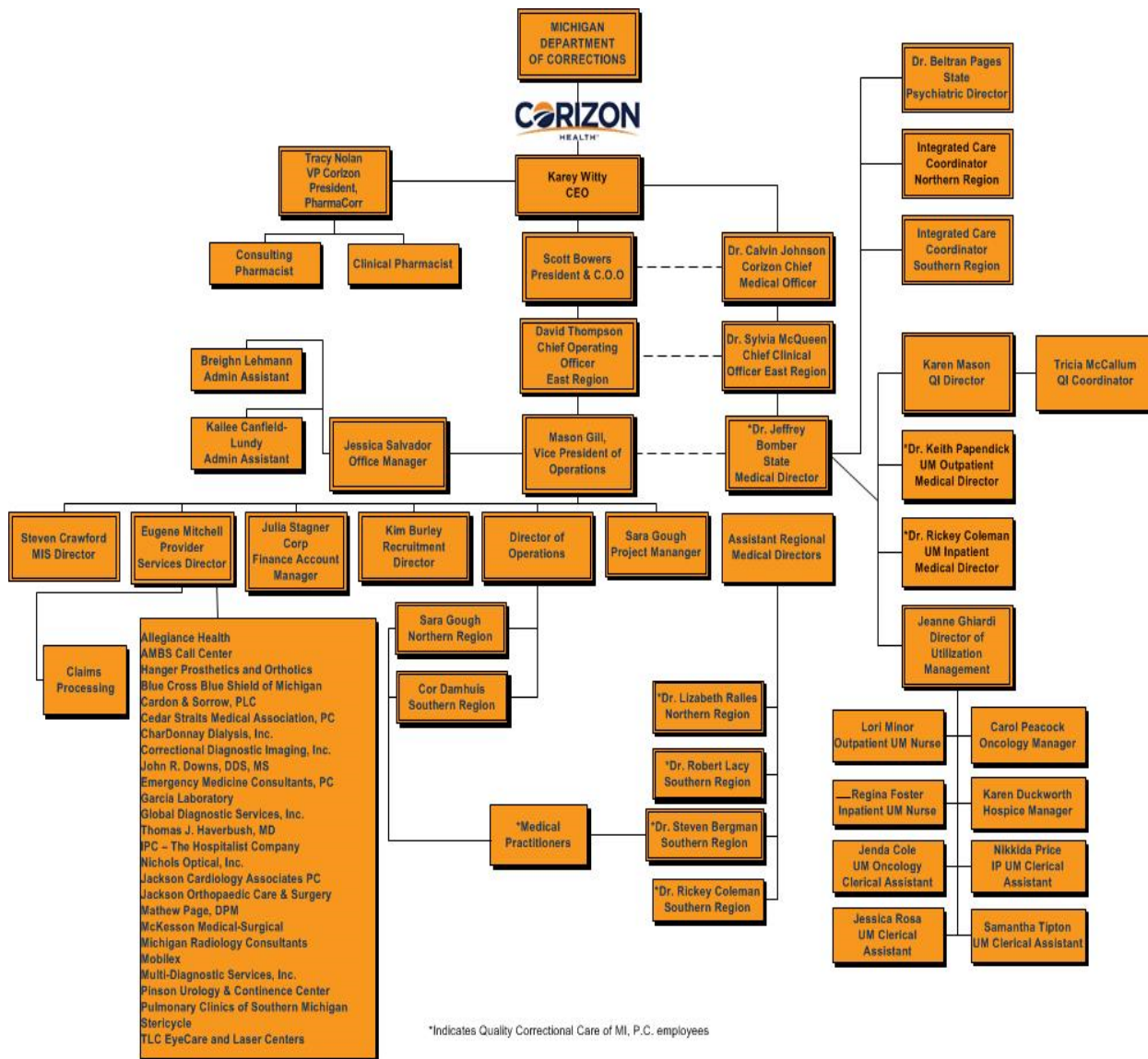
4.0 Staffing (Also See Section 3.1.G)

4.1 Key and Essential Personnel

The Contractor must appoint eight individuals per Section 4.1.C who will be directly responsible for the day-to-day operations of the Contract ("**Key Personnel**"). Key Personnel must be specifically assigned to the State account, be physically located in Michigan, be knowledgeable on the contractual requirements, and respond to State inquiries within 24 hours.

- A. The Contractor's organizational chart with reporting structures, names, and positions, including proposed provider network and the names of any subcontractors follows:

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- B. The Contractor is responsible for the actions of the medical and behavioral health practitioners; however, the MDOC Chief Medical and Psychiatric Officers will have responsibility for final clinical guidance and the ability to remove or restrict practices of the practitioners at MDOC facilities.
- C. Key Personnel: All Key Personnel must physically be located in Michigan, and must have their license to practice in Michigan when the Contract begins.
1. Project Manager – This position is mandatory for the transition period, and any special projects that are an outcome of this Contract. Examples of special projects might include long term care facility, any new development of on-site specialty care or units, etc.
 2. Operations Manager – This person will oversee and manage the day to day operations related to this Contract. The position will also be responsible for the integration of corporate support functions for site level applicability and, as the MDOC liaison, will work closely with the MDOC and the facility administration to ensure the medical and behavioral health care program meets the goals and expectations of the MDOC.
 3. Medical Director – The Medical Director must be versed in both medical and behavioral health and will work closely with the MDOC CMO and MDOC CPO. The single Medical Director will be responsible to oversee and manage the clinical quality for all services provided under this Contract. The Medical Director will also need to seek medical privileges at the MDOC secure units.
 4. Quality Assurance/Quality Improvement Director – The Quality Assurance Director must be a licensed physician, registered nurse, or other licensed clinician as approved by the MDOC. This approval is based on a review of the QI plan to ensure the clinician possesses past experience in designing and implementing quality

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systems and knowledge of quality assurance practices and approaches to quality improvement necessary to meet the requirements for quality improvement/quality assurance activities.

5. Provider Services Director – The Provider Services Director is responsible for the management of the relationships with the hospitals, physicians, and practitioners who are part of the specialty network and coordinating communications between the Contractor, its subcontractors and other providers. The position is responsible for ensuring that all approved claims are submitted, paid within 30 days, and that all collection notices are resolved within 90 days of notification of the collection notice.
6. Utilization Management Director – The Utilization Management Director must have a clinical (physician) license and must administer utilization management services, including pharmacy off formulary requests.
7. Infectious Disease Director - The Infectious Disease Director must have a clinical (physician) license and will specialize in the prevention and treatment of communicable diseases. This position will be responsible for ensuring proper diagnosis, prevention, diagnosis, treatment, and recovery of communicable diseases.
8. Clinical Pharmacist – The Clinical Pharmacist must be licensed in Michigan, residency trained, and hold a Doctor of Pharmacy (PharmD). The position will serve as the clinical lead in medication management. They will be responsible for working with the providers to ensure they are educated on the MDOC formulary, serve as a liaison with complex patients who are on multiple medications, and work collaboratively on managing prisoners with multiple drug regimens. They will also recommend and provide relevant training to providers on new medications, and advise on drug of choice, drug utilization, drug interactions, and research. This person will be part of the Pharmacy and Therapeutics Committee and the Medical Services Advisory Committee.

Project Manager: Sara Gough, CCHP

Operations Manager: Mason Gill, MSA, CCHP

Medical Director: Jeffrey Bomber, DO

Quality Assurance/Quality Improvement Director: Karen Mason, RN, CCHP

Provider Services Director: Eugene Mitchell, Jr., MHA, CCHP

Utilization Management Director (Inpatient): Rickey Coleman, DO

Utilization Management Director (Outpatient): Keith Papendick, MD

Infectious Disease Director: Craig Hutchinson, MD, FACP

Clinical Pharmacist: Regina Tamon, PharmD

D. Essential Personnel:

1. End of Life Coordinator – The End of Life Coordinator must have a nursing license and will specialize in the development of an end of life and palliative care program for the MDOC.
2. Pharmacist – A designated Pharmacist who is available 24 hours per day, seven days per week to process requests for emergency medication on a Statewide basis. That position will provide clinical pharmacy consultation, and to minimize expense for back-up pharmacy services.

All Essential Personnel must be physically located in Michigan and must have their license to practice in Michigan when the Contract begins.

End of Life Coordinator: Karen Duckworth, RN, CHPN

Pharmacist: Darrell Wheeler (Interim)

The Contractor may not remove or assign Key Personnel or Essential Personnel without the prior consent of the State. Prior consent is not required for reassignment for reasons beyond the Contractor's control, including illness, disability, death, leave of absence, personal emergency circumstances, resignation, or termination for cause. The State may request a résumé and conduct an interview before approving a change. The State may require a 30-calendar day training period for replacement personnel, as set forth in Section 9.0.

4.2 Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must provide a letter of intent for all subcontractors they are proposing to utilize. These letters are due with the proposal. The Contractor must also disclose the following:

1. The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
2. The relationship of the subcontractor to the Contractor.
3. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
4. A complete description of the Contract Activities that will be performed or provided by the subcontractor.

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SUBCONTRACTOR NAME	ADDRESS/PHONE /CONTACT/EMAIL	DESCRIPTION OF SERVICE AND SUBCONTRACTOR ORGANIZATION	RELATIONSHIP WITH CONTRACTOR
Allegiance Health (W.A. Foote Memorial Hospital)	205 N. East Avenue Jackson, MI 49201 P/(517) -768-7745 Nancy Vannest nancy.vannest@allegiancehealth.org	Hospital Care: Allegiance Health is a community-owned and locally governed health system comprised of more than 40 different facilities serving south central Michigan. A 480-bed system, Allegiance has a full range of inpatient and outpatient services.	Subcontractor to Contractor, 2009 to Present.
AMBS Call Center	338 West Franklin Street Jackson, MI 49204-1325 (517) 780-4618 Amanda Antelo amanda@ambscallcenter.com	24-Hour On-Call Service: AMBS Call Center, available 24/7/365, provides Medical Call Center Services across the continuum of care, including answering services.	Subcontractor to Contractor, 2010 to Present.
Hanger Prosthetics and Orthotics	744 West Michigan Ave., Suite 100A Jackson, MI 49201 1-877-754-6542 Chris Crawley ccrawley@linkia.com	Orthotics/Prosthetics	Subcontractor to Contractor, 2009 to Present.
Blue Cross Blue Shield of Michigan	600 E. Lafayette Blvd Detroit, MI 48226 (313) 448-7910 Yvonne Moore ymore@bcbsm.com	Off-Site Services: BCBSM is a nonprofit organization, providing and administering health benefits to more than 4.5 million members residing in Michigan in addition to members of Michigan-headquartered groups who reside outside the state. With 150 hospitals and nearly 30,000 physicians, the Michigan Blues network is the largest in the state.	Subcontractor to Contractor, 2010 to Present.
Cardon & Sorrow, PLC	683 Robinson Road Jackson, MI 49203 (517) 787-0417 Erika Wright erikaw@drcardon.com	Oral Surgery: Cardon & Sorrow have provided oral and maxillofacial surgery in the Jackson area for over 11 years.	Subcontractor to Contractor, 2010 to Present.
Cedar Straits Medical Association, PC	500 Osborn Boulevard Sault St. Marie, MI 49783 P/(906) 635-4472 Ralph J. Duman, MD rjduman@gmail.com	X-Ray/Radiology Interpretation: Cedar Straits Medical Association, PC provides radiology services with a specialization in vascular & interventional radiology.	Subcontractor to Contractor, 2012 to Present.
CharDonnay Dialysis, Inc.	807 W. Fairchild Danville, IL 61832 (217) 477-1490 Joe Burke Joe.Burke@chardonnaydialysis.net	Dialysis: CharDonnay Dialysis, Inc. (CDI) was formed in May 1994, and has been a woman-owned enterprise since inception. To date, dialysis services are provided at 39 different locations in 17 different states. All CDI dialysis services are located in correctional facilities.	Subcontractor to Contractor, 2004 to Present.
John R. Downs, DDS, MS	N8778 Five Mile Point Rd. Munising, MI 49862 (906) 387-3389 John R. Downs, DDS Downs.j@att.net	Oral Maxillofacial Surgery: Dr. Downs is a Michigan-licensed dentist practicing oral and maxillofacial surgery.	Subcontractor to Contractor, 2011 to Present.

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Emergency Medicine Consultants, PC	Jackson, MI Greg Fuller (517) 787-7976	Emergency Services: Emergency Medical Consultants provides consulting and staffing solutions for hospitals, urgent care centers and emergency rooms.	Subcontractor to Contractor, 2009 to Present.
Garcia Laboratory	2195 Spring Arbor Road Jackson, MI 49203 (517) 787-9200 Mary Garcia/Jeff Peterson jpeterson@garcialab.com	Lab Services: Garcia Laboratory is a full service lab offering services to physicians and prison sites across the country. A certified woman-owned business, Garcia is accredited by CLIA and CAP and currently provides laboratory services to over 308,000 lives in nearly 300 facilities in 36 states.	Subcontractor to Contractor, 2005 to Present.
Global Diagnostic Services, Inc.	2066 Eastside Drive Bldg. C. Suite 200 Conyers, GA 30013 Marc Upshaw (770) 602-0502 marcupshaw@globaldiagnostic.net	Ultrasound: Global Diagnostic Services (GDS) is one of the largest providers of mobile on-site ultrasound and x-ray services. GDS performs the latest high technology diagnostic evaluations that are digitally transmitted to a Board Certified Radiologist with results returned with 48-hours or immediately if significant abnormalities are present.	Subcontractor to Contractor, 2009 to Present.
Thomas J. Haverbush, MD	315 E. Warwick, Suite A Alma, MI 48801 (989) 463-6092 Thomas Haverbush	Orthopedic Surgery: Dr. Haverbush is a Michigan-licensed physician specializing in orthopedic surgery.	Subcontractor to Contractor, 2009 to Present.
Jackson Orthopaedic Care & Surgery	200 Summit Avenue Suite A Jackson, MI 49201 (517) 784-1187 Khawaja Ikram kmikramcpa@modempool.com	Orthopaedic Surgery: Jackson Orthopaedic Care & Surgery specializes in the treatment of injuries and diseases of bones, joints and their related structures such as muscles, tendons and nerves. The practice physicians treat people of all ages to correct problems caused by accidents, sports injuries, degenerative diseases such as arthritis, and other disabilities.	Subcontractor to Contractor, 2009 to Present.
Mathew Page, DPM	1830 Eagle Point Road Clarklake, MI 49234 (517) 784-0900 Matthew Page, DPM mptmp@aol.com	Podiatry: Dr. Page is a member of the Summit Podiatry group. Board certified by the American Board of Podiatric Medicine and Surgery, Dr. Page is a graduate of the University of Osteopathic Medicine & Health Sciences, College of Podiatric Medicine.	Subcontractor to Contractor, 2009 to Present.
McKesson Medical-Surgical	Golden Valley, MN 630-945-7018 Tony Nudo Tony.Nudo@McKesson.com	Medical Supplies: McKesson Medical-Surgical provides medical-surgical supplies, medical equipment and health care technology-related services to the alternate site market, including physician offices, surgery centers, long-term care facilities and home care businesses across the country. The company distributes more	Subcontractor to Contractor, 2011 to Present.

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		than 350,000 medical-surgical products, serving more than 50% of American hospitals, 20% of U.S. physicians and 96% of the top 25 health plans.	
Michigan Radiology Consultants	3599 Creole Way Holt, MI 48842 (517) 393-8712 Michael A. Henderson, DO doctorhendy@yahoo.com	X-ray/ Radiology/ Interpretation: Michigan Radiology Consultants provide diagnostic radiology services. They currently have a staff of two physicians and have been in operation since 1994 servicing corrections since 1995.	Subcontractor to Contractor, 2009 to Present.
Mobilex	24301 Telegraph Road Southfield, MI 48033 (262) 339-7460 Paula Duebner Paula.duebner@mobilexusa.com	Mobile X-Ray: Mobilex provides mobile x-ray and ultrasound electrocardiogram and other ancillary services to more than 7,000 facilities across the country.	Subcontractor to Contractor, 2009 to Present.
Nichols Optical, Inc.	336 W. Front Street Traverse City, MI 49684 (231) 941-5440 Roy C. Nichols nicholsoptical@nicholsoptical.net	Optometry: With three locations (Traverse City, Midland and Mt. Pleasant), Nichols Optical provides professional eye exams and state-of-the-art optical products, eyeglass fittings, and treatment of eye injuries, conditions or infection.	Subcontractor to Contractor, 2015 to Present.
Pinson Urology & Continence Center	744 W. Michigan Ave. Suite 300 Jackson, MI 49201 (517) 768-0600 Tony Pinson, MD	Urology: Pinson Urology & Continence Center treats men and women with urological conditions including incontinence, kidney stones, obstructive disorders and UTIs. Dr. Pinson also provides the latest in treatment for urological cancers such as bladder, kidney, prostate, and testicular cancer.	Subcontractor to Contractor, 2009 to Present.
Stericycle	4010 Commercial Avenue Northbrook, IL 60062 (215) 495-5897 Marc Witte mwitte@stericycle.com	Waste Services: Stericycle specializes in collecting and disposing medical waste, recalled and expired medical products, and infection control management and services. Together with its subsidiaries, the company offers institutional regulated waste management services and Bio Systems sharps management services to reduce the risk of needle sticks, various products and services for infection control, and regulated returns management services for expired or recalled healthcare products. The company serves the large-quantity regulated waste generators, such as hospitals, blood banks, and pharmaceutical manufacturers; and small-quantity generators of regulated waste, which include outpatient clinics, medical and dental offices, funeral homes,	Subcontractor to Contractor, 2012 to Present.

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		long-term and sub-acute care facilities, and retail pharmacies.	
TLC EyeCare and Laser Centers	850 W. North St., Ste. 104 Jackson, MI 49202 Laura Kilgore (517) 936-8682 Laura.kilgore@tlceyecare.com	Ophthalmology: TLC Eyecare was founded in 1978 by Paul H. Ernest, M.D. in Jackson, MI. The company now has 14 locations and over 20 doctors. In addition to general eye care, its specialists provide care for: cataracts, glaucoma, macular degeneration, diabetic retinopathy, retinal tears and detachments, eye infections, and laser vision correction.	Subcontractor to Contractor, 2013 to Present.

5. Of the total bid, the price of the subcontractor's work.

SUBCONTRACTOR NAME	AMOUNT	% OF TOTAL CONTRACT VALUE
Allegiance Health (W.A. Foote Memorial Hospital)	\$8,500,000.00	6.8%
AMBS Call Center	\$70,000.00.00	0.1%
Blue Cross Blue Shield of Michigan	\$20,550,000.00	16.5%
Cardon & Sorrow	\$260,000.00	0.2%
Cedar Straits Medical Association, PC	\$10,000.00	0.0%
CharDonnay Dialysis, Inc.	\$2,500,000.00	2.0%
John R. Downs, DDS, MS	\$300,000.00	0.2%
Emergency Medicine Consultants, PC	\$1,000,000.00	0.8%
Garcia Laboratory	\$3,100,000.00	2.5%
Global Diagnostic Services, Inc.	\$130,000.00	0.1%
Hanger Prosthetics and Orthotics	\$500,000.00	0.4%
Thomas J. Haverbush, MD	\$10,000.00	0.0%
Jackson Orthopaedic Care & Surgery	\$80,000.00	0.1%
McKesson Medical-Surgical	\$5,000.00	0.0%
Michigan Radiology Consultants	\$300,000.00	0.2%
Mobilex	\$30,000.00	0.0%
Nichols Optometry	\$950,000.00	0.8%
Mathew Page, DPM	\$30,000.00	0.0%
Pinson Urology & Continence Center	\$5,000.00	0.0%
Stericycle	\$5,000.00	0.0%
TLC EyeCare and Laser Centers	\$10,000.00	0.0%

4.3 Security

The Contractor will be subject the following security procedures:

The Contractor, its staff, subcontractors, provider network, and vendor partners must follow MDOC security procedures, which may include the use of MDOC armed custody officers. All services (primary, specialty, medical, and behavioral health) provided inside MDOC facilities require compliance to the MDOC Custody and Security Policies and the work rules outlined in the vendor handbook.

Contractor and subcontractor staff must show evidence of current Tuberculosis (TB) skin testing or a recent chest x-ray that shows no active disease, prior to treating patients. The MDOC will provide the annual TB testing within the MDOC healthcare clinics at no cost to the Contractor; however, Contractor will be responsible for initial screening.

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Contractor must produce, upon request, any and all records related to any investigation conducted by the Contractor that directly impacts the Department or violates the MDOC Policy Guidelines. The MDOC must receive any and all records related to an investigation that directly impacts the MDOC or violates the MDOC Policy Guidelines. The Contractor must also cooperate with MDOC in any internal investigation conducted by MDOC regarding the conduct of Contractor or the Contractor's employees.

The MDOC reserves the right to deny access to any institution or facility to any Contractor staff member who fails to comply with any applicable State, federal, or local law, ordinance or regulation, or whose presence may compromise the security of the facility, its members, or staff.

BACKGROUND CHECKS/DRUG AND ALCOHOL SCREENING:

All Contracted employees will be subject to a pre-employment criminal background check, pre-employment drug and alcohol screening, and random drug and alcohol screening in compliance with applicable State and federal laws. The pre-employment criminal background check will be completed by and at the expense of the MDOC. The pre-employment drug and alcohol screening and random drug and alcohol screenings will be completed by and at the expense of the Contractor. Contractor employees are prohibited from: consuming alcohol while on duty, being on duty with alcohol or drugs present in the employee's system/body fluids, refusing to submit to a required drug or alcohol test, or to interfere with any testing procedure or tamper with any test sample.

- Contractor must provide confirmation, in writing, to the MDOC Program Manager or designee, stating that all on-site employees have passed such tests and screenings. If any of the Contractor's employees have a felony or misdemeanor conviction (excluding minor driving offenses), the Contractor's employee are not be permitted to work under this Contract and may not enter into any MDOC facility.
- Test results, along with proof of consent, must be maintained in the Contractor's employee file. Random drug and alcohol screening must be completed by the Contractor for 2% of employees working at MDOC on a monthly basis. Contractor must confirm with the MDOC Program Manager or designee that each employee tested has passed, and Contractor must maintain the results of such testing in each individual employee's file. Any employee with a confirmed positive result from any drug or alcohol test will not be permitted to work under this Contract.
- Reasonable suspicion testing will be required by the Contractor and subcontractor if there is verified suspicion that the Contracted employee has violated the prohibited drug and alcohol statement above. Any employee with a confirmed positive result from any drug or alcohol test will be prohibited from working at any MDOC facility.
- Post-accident testing will be required by the Contractor and subcontractor if there is evidence that a Contracted employee or employees may have caused or contributed to a serious work accident. Any employee with a confirmed positive result from any drug or alcohol test will be prohibited from working at any MDOC facility.
- All Contractor employees must comply with all applicable State and federal laws, rules and regulations, while working on-site at MDOC at all times.
- All Contractor and subcontractor employees must meet all current health testing requirements (as required and allowed by law) (i.e. TB skin test screening, etc.). The Contractor will be responsible for all related costs for initial employee health screening including TB testing.

The MDOC will perform a background check (including a LEIN check) and a Michigan State Police Background check (ICHAT) for all Contractor personnel before they may have access to State facilities and systems. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Contractor personnel must comply with the State's security and acceptable use policies for State IT equipment and resources. See http://www.michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html.

Furthermore, Contractor personnel must agree to the State's security and acceptable use policies before the Contractor personnel will be accepted as a resource to perform work for the State. The Contractor must present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff must comply with all Physical Security procedures in place within the facilities where they are working.

The Contractor must have security measures in place to ensure the security of State facilities. The Contractor must: (a) ensure the security of State facilities, and (b) perform background checks. The State may require the Contractor's personnel to wear State issued identification badges.

5.0 Project Management

5.1 Project Plan

A. Operations Project Plan

1. The Contractor must provide a detailed Contract project plan. This project plan should explain the project

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goals and objectives the Contractor would like to accomplish within the Contract period, the activities and tasks necessary to complete the work, and the roles and responsibilities of the staff who will be completing those tasks. The plan must address how problems will be identified, how data will be analyzed to illustrate trends and areas for improvement, and how you will identify any barriers that are impacting services. The plan must contain a communication component that details how you will share information with MDOC, identify an escalation process, how opportunities for improvement will be identified and shared, and the Contractor personnel who will be responsible for each of these areas.

2. This plan must ensure Contractor works in partnership with the MDOC, all subcontractors, all specialty service providers, and current MDOC health care practitioners to deliver uninterrupted clinical and administrative services that ensure the continuity of care to the prison population, including infrastructure of systems, staffing and practitioners. This plan will be ongoing and require updates as opportunities and barriers are identified and resolved.
3. The Contractor will carry out this project under the direction and control of the MDOC Program Manager. Within 30 calendar days of the Effective Date, the Contractor must submit a project plan to the PM for final approval. The plan must include: (a) the Contractor's organizational chart with names and title of personnel assigned to the project, which must align with the staffing stated in accepted proposals; and (b) the project breakdown showing sub-projects, tasks, and resources required.

B. Close Out Plan

The Contractor must develop a post Contract closeout plan that will address all aspects of the Contract, ensuring that there is a smooth transition of services between contractors, if applicable. The closeout plan must address continuity of care for prisoners as the Contract transitions to another contractor.

5.2 Meetings

The Contractor must attend the following Statewide meetings:

- A. Transition Meetings
 - a. Initial kick off meeting
 - b. Weekly transition meetings for the first three months
- B. Monthly
 - a. Contract Meeting
 - b. Statewide Clinical Management Team
 - c. Mortality and Morbidity Review
 - d. Statewide Case Management
 - e. Medical Services Advisory Committee (MSAC)
 - f. Pharmacy and Therapeutics
 - g. Pain Management
 - h. Infectious Disease Control
- C. Weekly
 - a. Facility Case Management and Treatment Team meetings.
- D. Quarterly
 - a. Statewide Performance Improvement Team Meeting
 - b. Strategic Planning Meeting

The State may request other meetings (State, regional, and local), as it deems appropriate.

5.3 Reporting

Reports are due to the MDOC Program Manager on a monthly basis (unless otherwise specified), by the last business day of the following month. Any reports that are due annually will follow the calendar year. Reports include:

- A. *Practitioner Productivity by Practitioner and Facility* – Scheduled versus actual hours worked by practitioner and facility for reporting period and tracked over time by facility and practitioner.
- B. *Financial Statements* – Detailed financial statements on a cash and accrual basis, including a quarterly report on timeliness of payments to vendors. All financial reports submitted are subject to audit and must reconcile to the financial statement and/or invoice submitted to the MDOC for the final settlement of the Contract year. The Contractor must also report each individual Contract year independently of each other. Once the Contract year is settled and closed, all prior year payments in the subsequent Contract years must be reported separately in a manner such that the closed and settled prior year records are not changed or affected. The Contract year will be settled and closed six months after the Contract year end. Once the settlement is finalized, any and all additional costs will not be considered in the current or future Contract year.

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- C. *Data Certification Report* – The Contractor's Chief Executive Officer must submit a MDOC Data Certification form to the MDOC that requires the Contractor to attest to the accuracy, completeness, and truthfulness of any and all data and documents submitted to the MDOC as required by this Contract.
- D. *Claims Data* – The claims data must be available in the HIPAA 837 format (http://www.ihs.gov/hipaa/835_837/newsletter4/). The Contractor must provide monthly statements that provide information regarding paid claims, aging of unpaid claims, denied claims, Medicaid claims, and IBNR in the format approved by the MDOC PM. These data should include ICD and CPT codes.
- E. *Medical and Behavioral Health Service Utilization for On-site and Offsite Services by Facility* – Referrals for specialty care by facility, distribution of specialties, approved/denied ratios, the number of denials that include Alternative Treatment Plan, average duration from approval to scheduled visit, the percentage of scheduled visits actually completed, and detailed information about the reasons scheduled visits are not completed.
- F. *Emergency Room Utilization* – Raw counts of emergency room (ER) visits by facility by month, noting number per shift and number that resulted in admission. ER admissions per 100 inmates based on census, with trending by facility over time and excluding those that resulted in admission.
- G. *Inpatient Admissions* – Number of inpatient admissions by facility during month, length of stay, number of unique inmates admitted, diagnosis, reason for admission and the number of admissions with prior admission within past 30 days. For discharges during the month, number of discharges and average length of stay by facility.
- H. *On-Call Responsiveness* – Summary reports as requested related to telephone on-call and on-site call obligations.
- I. *Staffing Schedules* – Monthly schedule of staffing levels at each facility including an explanation of coverage at facilities where staff have time off, explanation of staff shortages and vacancies along with hiring and recruitment efforts for all areas of the Contract. This report be distributed to the MDOC CMO/CPO, and will contain a list of the vacancies by position and facility along with a list of employees who are no longer employed.
- J. *Quality Assurance and Quality Improvement Reports* – Report on performance improvement activities, targets, and timelines. Detailed disclosure of the peer review processes utilized during the year.
- K. *Midlevel Supervision Report* – Report on the status of the collaboration agreements and monitoring of the mentoring that has occurred with the Midlevel's at each facility. This report will be completed annually.
- L. *Medicaid shadow claims* – The number of claims that were paid at the Medicaid rate and those that were Medicaid eligible that paid the regular rate.
- M. *Statistical Annual Report Examining Significant Trends and Issues* – This report will be developed collaboratively by MDOC and the Contractor. This report is done annually.
- N. *Telemedicine Utilization Report* – Number of visits scheduled by facility by specialty; number scheduled that were completed; number scheduled that were not completed; and reasons for scheduled visits not completed.
- O. *Secure Unit and Inpatient Utilization Report* – Number of bed days at Allegiance and McLaren Regional secure units and percent occupancy for available bed days in a month.
- P. *Top 50 by Utilization and Cost* – A monthly listing of the top 50 patients that are the most costly in terms of their off-site visits, ER visits, etc.
- Q. *Benchmarks Against Other State Contracts* – Comparison of services with Contractor contracts in other DOC's. These reports will be requested by the MDOC as needed.
- R. *Key Performance Indicator Report* – A monthly report on the agreed upon metrics and targets related to the Service Level Agreements.
- S. *Quarterly Rebate Report* – This report includes the following data elements: manufacturer/wholesaler/other source, by product, NDC (11 digit), number of claims, quantity, total sales, total rebate dollars, total administrative fee dollars, total of all dollars received, total for manufacturer, summary totals by manufacture/wholesaler/or other source of rebate, rebates per Rx for time period, rebates per brand Rx for time period, top 25 rebate products, source of rebate, date rebated received from manufacturer/wholesaler/other source.
- T. *Pharmacy Report* – A monthly report that includes the following elements:
 - a. Monthly reporting by dates, costs, site, prescriber, patient, drug or drug category National Drug Code (NDC), date shipped, utilization, or any combination.
 - b. Monthly reporting of drug returns including drugs returned, amount of credit, and an explanation if no credit is given.
 - c. Monthly reporting of prescription errors, and how those errors were resolved.
 - d. Monthly report of clinical interventions.
 - e. Monthly report of brand name drug substitutions.
 - f. Monthly report of prescriptions needing to be refilled.
 - g. Utilization of brand name drugs and their subsequent generic equivalent when they become available.
 - h. Encounter data report for both mail order pharmacy and the backup pharmacies that document utilization by prisoner.
 - i. Report of psychotropic drug utilization by drug and by provider.

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- j. Prison specific profile reports that include backup pharmacy and regular medications dispensed.
- k. Detailed report of quarterly rebates/discounts/revenue including the rebate/discount/revenue type.
- l. Formulary compliance related to provider prescribing practices.
- U. *Pharmacy Benchmark Report* – The Contractor must report quarterly on the following benchmarks and trends:
 - a. Stock out rates per 10,000
 - b. Error rates per 10,000
 - c. Percent of spend against total spend in the following categories
 - 1. HIV
 - 2. Psychotropic meds
 - 3. Hep C
 - 4. Comparison with other states and federal government with trends over time
- V. *Other reports* – to be agreed upon by the Contractor and the MDOC.

The State reserves the right to amend the required report list. The Contractor must provide all data monthly and/or reports requested by the State's Third Party Reviewer and or/the State.

The Contractor must ensure that contracts with subcontractors and/or provider network preserves the State's right to access of all related data, and must ensure that the State and/or its contractor's access to data in order to complete their reviews.

The Contractor must obtain the State's written approval prior to publishing or making public presentations of statistical or analytical material based on its prisoners.

6.0 Acceptance

6.1 Acceptance, Inspection, and Testing

The State will use the following criteria to determine acceptance of the Contract Activities:

Project Plan – The MDOC will consider the project plan milestones accomplished upon the MDOC acceptance and written approval of each individual milestone. The Contractor must submit to the MDOC Program Manager their revised, detailed project plan, including timing of milestones, no later than 30 calendar days after the Contract effective date. The MDOC Program Manager will have 10 business days to review and may make changes and recommendations to the plan, including timing of milestones. The Contractor will then have one week to finalize the plan. The final plan will be approved by the MDOC Program Manager within 30 days prior to the date that services will be provided. The project plan milestones include the following:

1. **Staffing Plan** – The Contractor will have accomplished this milestone when they provide the coverage level of staffing that will ensure timely access to medical and behavioral health care consistent with MDOC Policies and Procedures and the requirements of this Contract.
2. **On Call Plan** – The Contractor will have accomplished this milestone when they provide the schedule of on call, weekend, and holiday coverage for medical and behavioral healthcare services and it is approved by the MDOC.
3. **Specialty Provider Network** – The Contractor will have accomplished this milestone when they have identified the specialty network including: specialists/consultants, hospitals and urgent care centers (that are willing to accept Medicaid eligible patients), secure units, and therapy services for each correctional facility, SAI, and Re-entry center by written contract or Letter of Intent and approved by MDOC.
4. **Telemedicine Plan** – The Contractor will have accomplished this milestone when they identify the services, specialties, and processes, including the scheduling component for the telemedicine program and approved by MDOC.
5. **Quality Assurance** – The Contractor will have accomplished this milestone when they provide their written Quality Assurance plan and it is approved by the MDOC PM.
6. **Documentation and Data Collection** – The Contractor will have accomplished this milestone when they have provided the process they will use related to documentation and data collection for purposes of monitoring access to care and other statistical data related to medical and behavioral healthcare services and approved by MDOC.
7. **Pre-authorization Process** – The Contractor will have accomplished this milestone when they have provided the pre-authorization process for referrals to the specialty networks, and have included a mechanism for

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capturing the authorization number for purposes of calculating IBNR and approved by MDOC.

8. Encounter Data Submission – The Contractor will have accomplished this milestone when they have successfully transmitted the universal claims data files to the MDOC and all edits have passed.

7.0 Ordering

7.1 Authorizing Document

The appropriate authorizing document for the Contract will be a purchase order.

8.0 Invoice and Payment

8.1 Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) purchase order/Contract Number; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price. Overtime, holiday pay, and travel expenses will not be paid.

8.2 Payment Methods

Each Contract year closes 180 days after the Contract year end to ensure claim run off. The final Contract year will be closed 183 days after the Contract year end. Specific details of invoices and payments will be agreed upon between the MDOC PM and the Contractor. Upon contract termination, the Contractor must provide an estimate of the claims to be received between day 184 and day 365 based on the IBNR. For the last month of the Contract, any credit must be disbursed to the MDOC by check within 30 days.

9.0 Liquidated Damages

Contractor must not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including: illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms.

The Unauthorized Removal of any Key and Essential Personnel in Section 4.1 will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, it would be impracticable and extremely difficult to ascertain the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, the State may assess liquidated damages against Contractor as specified below:

For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, Contractor will credit the State \$25,000.00 per individual and Contractor must immediately identify a replacement satisfactory to the State and assign such replacement to shadow the removed Key Personnel for a period of at least 30 days before the Key Personnel's removal. If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 days then, in addition to the \$25,000.00 credit for an Unauthorized Removal, Contractor will also credit the State \$1,000.00 per day for each day of the 30 day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total credit per Unauthorized Removal and failure to provide 30 days of shadowing must not exceed \$55,000.00 per individual.

For the Unauthorized removal of any Essential Personnel designated in the applicable Statement of Work, Contractor will credit the state \$135,000.00 for the Pharmacist and \$64,000.00 for the End of Life Coordinator if there is not a replacement within two weeks of the Essential Personnel's removal.

Credits must be reflected on the monthly invoice during which the Unauthorized Removal occurred and may, at the State's option, be credited or set off against any fees or other charges payable to bidder under this Contract.

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**EXHIBIT B - DEFINITIONS**

Abnormal Involuntary Movement Scale (AIMS) is the evaluation that a psychiatrist completes every six months for prisoners on antipsychotic medications, or sooner if necessary.

ACA means Affordable Care Act.

Access to Care means ability of a prisoner to obtain necessary physical and/or mental health services within the MDOC.

Actual Costs means the allowable expenses incurred and paid by the Contractor for the performance of services under this Contract and the management fee for the provision of these services.

Acute Care Inpatient Services (AC) is an integral component of the Corrections Mental Health Program (CMHP) continuum of care that provides an intensive initial assessment and timely treatment for prisoners with acute mental illness, severe emotional disorders and possible co-existing disorders.

Adaptive Skills Residential Program (ASRP) means a program designed to serve prisoners with moderate to serious mental/cognitive disabilities including adaptive problems due to a developmental disability, dementias, traumatic brain injury, etc. Prisoners who appropriately receive ASRP services may or may not have a co-occurring serious mental illness.

Additional Service/Deliverables/Program Enhancements means any services within the scope of the Contract provided in addition to the Statement of Work requested in the RFP that add value to MDOC health care operations. They may or may not result in the need to provide the Contractor with additional consideration.

Affordable Care Act mean's the Patient Protection and Affordable Care Act of 2010, is Public Law 111-148, which is a comprehensive health reform law enacted in March 2010 intended to increase the quality and affordability of health insurance and lower the uninsured and reduce the costs of healthcare through federal program changes, regulatory reforms, and increased subsidization of public and private health insurance for the low and moderate income uninsured.

Assessment Instrument for Mental Health Systems (AIMS) means a tool for collecting essential information on the mental health system. The goal of collecting data through AIMS is to support efforts to improve a mental health system and to provide a baseline data used for monitoring change in a mental health system's performance.

Assisted Living is a housing facility that provides assistance with activities of daily living, supervision, and monitoring of activities to ensure an individual's health, wellbeing, and safety.

Audit Period means the seven year period following Contractor's provision of any work under the Contract.

BHCS means Michigan Department of Corrections, Bureau of Health Care Services.

Bidder(s) are those companies that submit a proposal in response to this RFP.

Blanket Purchase Order is an alternate term for Contract and is used in the State's computer system.

Brand Name Drug means a pharmaceutical that has a trade name, is patent protected and can be produced and sold only by the company holding the patent and that is labeled as such in a nationally recognized data source.

Brief Psychiatric Rating Scale (BPRS) is a rating scale through which a clinician or researcher can measure psychiatric symptoms such as depression, anxiety, hallucinations, and unusual behavior.

Business Day means any day other than a Saturday, Sunday, or State-recognized legal holiday from 8:00 a.m. EST through 5:00 p.m. EST unless otherwise stated.

Capitation is the financial arrangement that pays the Contractor a set amount for each prisoner, per period of time, whether or not that person seeks care.

Clean Claims means a claim that does not contain a defect requiring the Medicare Contractor to investigate or develop prior to adjudication.

Commission on Accreditation Rehabilitation Facilities (CARF) - Accreditation process for health and human services. The CARF accreditation process is used in Mental Health Services.

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Community Practitioners are health professionals that practice a common profession or specialty in the community outside of MDOC.

Comorbid is the presence of more than one mental health and/or physical health disorder in an individual.

Contractor means the entity selected to provide the services procured through this RFP.

Corrections Management Information System (CMIS)– is a system no longer used by MDOC. CMIS (Correctional Management Information System) was the global name for a multi-module application which shares information across all administrative boundaries of the Department of Corrections and each module addresses specific business needs within the MDOC. CMIS tracks information on prisoners and parolees incarcerated or under the supervision of MDOC. CMIS interfaced with OMNI and other entities. CMIS was retired in August 2014. CMIS was on a Unisys Mainframe Platform. It used a DMSII database. CMIS

Corrections Mental Health Program (CMHP) means programming within the MDOC's Prisoner Mental Health Services Program that provides treatment to prisoners with severe mental illness/disabilities. Admission and discharge from the CMHP requires a psychiatric evaluation.

Corrective Action Plan means the Contractor's written response to any deficiencies discovered in the course of Contract monitoring and the plan for resolution to those deficiencies.

Co-occurring Disorder is a disease state where an individual suffers from a combination of substance use and mental health disorders.

Counseling Services and Interventions (CSI) is programming provided to prisoners who exhibit signs or symptoms that negatively affect ordinary demands of life. CSI services may include, but are not limited to: supportive counseling, brief therapy, solution focused therapy, cognitive – behavioral therapy, and dialectical behavior therapy. Through CSI programs prisoners are admitted and discharged from the counseling program by a Qualified Mental Health Professionals (QMHP). The prisoners served with Counseling Services and Interventions are housed in general population housing and do not meet the threshold for admission to the CMHP.

CPE means Comprehensive Psychiatric Evaluation.

Crisis Stabilization Program (CSP) means services for managing disruptive prisoners whose behavior is linked to symptoms of mental illness or who are engaging in or threatening to engage in suicidal or self-injurious behavior.

Days mean calendar days unless otherwise specified.

DEA Registration is a certificate issued by the Federal Drug Enforcement Administration (DEA) to physicians, dentists and mid-level providers which allows them to write prescriptions for controlled substances in the United States.

Drug Control License is a license issued by the Michigan Board of Pharmacy to physicians and dentists allowing them to dispense medications directly to patients.

DTMB means the Michigan Department of Technology, Management and Budget.

Electronic Medical Record (EMR) is a digital patient-centered record detailing the medical and treatment history of a patient.

Emergency Dental Services are the dental services for those conditions for which delay in treatment may result in death or permanent impairment.

Emergency Medication Box is a box that belongs to the facility and is not licensed to an individual physician or dentist. The box contains a supply of prescription medication to be used in case of medical emergency.

Emergent means a condition for which delay in treatment may result in death or permanent impairment.

Formulary Management means the process by which the MDOC prescription drug formulary is maintained, re-evaluated, and changed over time.

Generic Drug or Generic Pharmaceutical means a pharmaceutical designated as generic according to the pharmaceutical reporting services agreed upon pursuant to this Contract.

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Global Assessment of Functioning (GAF) is a numeric scale (0 through 100) used by mental health clinicians and physicians to subjectively rate the social, occupational, and psychological functioning of adults.

Health Care Practitioner is an individual, other than a physician, who is licensed or authorized to provide health care services.

Health Professional Shortage Areas (HPSA) are designated by the Health Resources and Services Administration (HRSA) as having shortages of primary medical care, dental, or mental health providers and may be geographic (a county or service area), demographic (low income population), or institutional (comprehensive health center, federally qualified health center, or other public facility).

Medically Underserved Areas/Populations are areas or populations designated by HRSA as having: too few primary care providers, high infant mortality, high poverty, or high elderly population.

Healthy Michigan Plan is Michigan's Medicaid expansion program authorized through the Affordable Care Act The Healthy Michigan Program as of April 1, 2014, will provide Medicaid eligibility to uninsured citizens with income below 138.0% of the Federal Poverty Level.

HIPAA refers to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA, Title II). HIPAA requires the Department of Health and Human Services (HHS) to establish national standards for electronic healthcare transactions and national identifiers for providers, health plans, and employers. It also addresses the security and privacy of health data. The Contractor must comply with HIPAA, 1996 (42 U.S.C. 1320d-1329d-8), and all applicable regulations promulgated there under.

HITECH ACT refers to the Health Information Technology for Economic and Clinical Health Act, enacted as part of the American Recovery and Reinvestment Act (ARRA) of 2009. HITECH establishes new requirement for notification related to protected health information breaches, makes businesses directly liable for compliance with HIPAA security and privacy requirements, modifies disclosure accounting rules and enhances the civil and criminal enforcement of HIPAA. See 42 U.S.C. §§ 17921 and 17931, *et seq.* The Contractor must comply with HITECH and all applicable regulations promulgated there under.

Huddles are the daily short briefings that will take place on a daily basis among all health care staff and Contractor's staff to stay informed about patients.

Incurred But Not Reported (IBNR) means the total amount of money owed by an insurer to all valid claimants who have incurred an eligible expense, but have not yet reported it.

Institutional Program means programming within MDOC Prisoner Mental Health Services which includes, but is not limited to: Reception Center psychological assessments, crisis intervention, monitoring of prisoners confined to segregation units, assessment of potential for suicide, identification, and referral of prisoners for treatment of mental illness, Parole Board Evaluations, behavior and substance abuse treatment, and other offender based programs. Institutional programming is provided by QMHPs.

Intensive Service Unit (ISU) is an MDOC unit that provides short-term mental health evaluation and stabilization primarily for prisoners in the Upper Peninsula. It provides solution-focused treatment for prisoners experiencing a mental health crisis of such intensity that their normal level of coping is no longer sufficient to allow them to stay in general population.

Interdisciplinary Treatment Team consists of a Unit Chief (or designee) who chairs the team, psychiatrist, psychologist, social worker, nursing staff, activity staff, Resident Unit Manager (RUM), and other custody staff involved in inmate treatment. The treatment team makes the final decision in the development of treatment plans, diagnosis, non-hospital discharges, admissions, etc. The team will make decisions through consensus of the team members, with some exceptions that laws invest in a particular profession (i.e., medication prescriptions). The core membership of the treatment team is a Unit Chief or his or her designee, psychiatrist, QMHP, and a RUM or his or her designee.

Keep on Person (KOP) means medication that is given to a prisoner to self-administer.

Key Personnel must be specifically assigned to the State account, be physically located in Michigan, be knowledgeable on the contractual requirements, and respond to the State inquiries within 24 hours.

K-PLAN is a discharge status for level of care, a K6 discharge status would require post discharge mental health monitoring and follow up services lasting six months and a K1 discharge status would require the same services for one month following discharge.

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Local Backup Pharmacy means a local pharmacy that the Contractor has negotiated preferred pricing with that supplies urgent/emergent medications that are needed for immediate use and cannot wait until the next daily mail order delivery.

Mail Order Services means the dispensing of prescriptions, by the Contractor's mail service, for delivery to MDOC facilities.

MDOC means the State of Michigan, Department of Corrections.

MDOC/BHCS Formulary is a written list of prescription and nonprescription medications that are authorized to be used to treat MDOC prisoners.

Mental Health Code is the compilation of State laws governing the management and delivery of mental health services in the State of Michigan. These laws were first codified by Act 258 of the Public Acts of 1974.

Mental Disability means any of the following mental conditions: mental illness, which is a substantial disorder of thought or mood which significantly impairs judgment; behavior; capacity to recognize reality or the ability to cope with the ordinary demands of life; severe chronic brain disorder, which is characterized by multiple cognitive defects (for example, memory impairment resulting from a medical condition or brain injury due to trauma or toxins); and developmental disorder, which usually manifests before the age of 18 years and is characterized by severe and pervasive impairment in several areas of development (for example, autism or retardation).

Mental Health Services (MHS) is a division of the MDOC BHCS. MHS division manages several levels of care, programs, and services comprising an integrative continuum of mental healthcare for prisoners who reside in MDOC facilities. The BHCS is responsible for the MDOC's mental health programs and coordinates and monitors all services provided through MHS. These services include institutional and counseling programming, as well as psychiatric services.

Mid-Level Provider means a physical or mental health care provider that is either a physician assistant (PA) or advanced practice registered nurse. The use of these positions requires approval from the MDOC Chief Medical Officer (CMO) or the MDOC Chief Psychiatric Officer (CPO).

MSAC is the Medical Services Advisory Committee.

Offender Management Network Information (OMNI) is used to track and monitor; probation, prisoner, and parolee information. The goal is for the OMNI system to be replaced by OMS eventually.

Offender Management System (OMS) was brought online in August 2014. It's initial purpose was to replace CMIS and all the current interfaces CMIS had with OMNI and other systems. The migration was from a Unisys Mainframe Platform/DMSII to a Microsoft CRM platform utilizing SQL server, C#, and .NET Framework. Therefore, OMS contains the same functionality as CMIS.

Outpatient Remission (OREM) is a classification used to identify prisoners who are on an outpatient mental health caseload who have a GAF score of 61 or higher and whose mental illness symptoms are in remission.

Outpatient Treatment (OPT) refers to three main functions in the mental health continuum of care. First is provision of a point of entry into the CMHP; second is provision of psychiatric services to prisoners residing in general population who have a serious mental illness/disability; and lastly, is ensuring continuity, quality, and accessibility of care for prisoners discharged from Inpatient Acute Care, Rehabilitation Treatment Services, and Residential Treatment Programs.

Panic Value means a lab value that is significantly abnormal that is directly related to the seriousness of the prisoner's illness.

Per Prisoner Per Month (PPPM) Administrative Fee base means Per Prisoner Per Month and is used in the compensation calculation for the base monthly payment to the Contractor.

Physician Prescribing Box is a prescribing box that includes medications specified by the MSAC that physicians or dentists may use after they have obtained a Drug Control License. Medications can be dispensed from the box by the physician or dentist, or by a delegated RN under written or verbal order of the physician or dentist.

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Practitioner means the health provider responsible for the on-site medical and behavioral care to prisoners. The practitioner can be any of the following: family practice physician, emergency medicine physician, general practice physician, internal medicine physician, or a psychiatrist. The providers must possess a medical degree from an accredited school of medicine, be fully licensed to practice in the State of Michigan. With written approval from the MDOC CMO or the CPO, a practitioner may also include other physician specialists, nurse practitioner, or physician assistant. Practitioners with limited licenses do not meet the definition of practitioner in this RFP.

Private Correctional Contractor means a company that is responsible for the management and administration of either a State owned facility or a privately owned facility that houses MDOC prisoners, excluding the provision of mental and physical healthcare services.

Provider is a physician, nurse practitioner, or physician's assistant responsible for the health care services.

PSAC is the Psychiatric Services Advisory Committee.

Qualified Mental Health Professional (QMHP) is a physician, psychiatrist, psychologist, social worker, registered nurse, or other health professional who is trained and experienced in the areas of mental illness or mental retardation and is licensed or certified by the State of Michigan to practice within the scope of their professional training.

Recipient Rights are the rights, as defined in Chapter 7 of the Michigan Mental Health Code (MCL 330.1700-330.1758), of a prisoner receiving mental health services to assure that they receive treatment suited to their condition in a humane environment.

Recipient Rights Officer is an employee of MDOC that reports directly to the Health Services Administrator for the MDOC BHCS and has Statewide responsibilities for all aspects of rights protection for patient/prisoners served by Mental Health Services. The Corrections Mental Health Rights Specialist ensures consistent and cooperative enforcement of prisoner rights, as delineated in Chapters 7 and 10 of the Michigan Mental Health Code (MCL 330.1001-330.2106) and applicable MDOC Policy Directives/Operating Procedures

Referral is the process through which a request for mental health services for prisoners suspected of exhibiting symptoms of a psychological disturbance or mental illness is transferred to a QMHP for initiation and completion of a mental health evaluation. Referral is also the process by which medical attention is requested by MDOC staff or by prisoners themselves for a physical health condition. A referral can be made via phone, written correspondence from the prisoner, or electronic communication to the healthcare clinic. Referral urgency is dependent upon the nature or severity of presenting or reported symptomatology. Referral options are: emergent (need for treatment as soon as possible, but within 24 hours and refer to behaviors which indicate immediate danger to self or others or immediate need for medical intervention); Urgent (need for treatment as soon as possible, but within 48 hours and refer to behaviors not likely to cause death or irreparable harm and is not treated immediately, but cannot wait for normal scheduling); and Routine (need for treatment should occur as soon as possible, but with 14 days for routine non-urgent, non-emergent mental or physical conditions).

Rehabilitative Treatment Services (RTS) means the provision of inpatient treatment programs for prisoners with chronic serious mental illness/severe emotional disorders within a prison. RTS programs are designed to ameliorate psychiatric symptoms and improve daily functioning.

Residential Treatment Program (RTP) is the level of care appropriate for seriously mentally ill prisoners whose primary symptoms of psychiatric/psychological conditions have begun to remit, but who continue to demonstrate significant impairments in social skills and limited ability to participate independently in activities of daily living. These individuals cannot function adequately in the general population without significant supports and modified behavioral expectations. The primary treatment focus of the RTP is provision of those skills necessary to enable prisoners to independently function within the general prison population or in the community following parole release or discharge.

Restricted Medication means those medications which have been identified in the MDOC/BHCS Formulary as restricted or those which the prescriber or registered nurse has determined are unsafe for the patient to possess.

Request for Proposal (RFP) means a formal procurement document designed to solicit proposals for services.

Routine Dental Services means the diagnostic, endodontic, restorative, periodontal, prosthetic, and non-urgent oral surgical procedures.

Routine Medication means medications that can be dispensed through the normal course of business and can be filled through the mail order process with receipt being the next business day.

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Secure Status Outpatient Mental Health Program (SSOTP) is a program that provides treatment to prisoners with a serious mental illness who, because of safety/security issues, would otherwise be in administrative segregation. It is the goal of the SSOTP to treat these prisoners in a secure setting and increase their self-control and appropriate behavior through various treatment and management interventions. Although highly structured and secure, the SSOTP treats prisoners who are classified as general population prisoners with Mental Health Management plans developed to provide needed safety and security to the prisoner and staff while providing access to treatment. The SSOTP consists of four phases of treatment and management.

Secure Status Residential Treatment Program (SSRTP) is a program designed to provide an alternative treatment option for prisoners who otherwise meet admission criteria for an RTP and whose pattern of assaultive and/or destructive behavior is clinically assessed as related to a co-morbid personality disorder instead of a major mental illness and intractable and unresponsive to the usual therapeutic and management interventions available in the RTP setting.

Security Classification Committee (SCC) is a committee that is located at each facility and is responsible for ensuring proper prisoner placement at that institution. SCC members are appointed by the Warden and include at least two command staff supervisors at level 13 or above, one of whom must be of the rank of Assistant Deputy Warden or above. Whenever possible, SCC will include staff representatives from custody, programs, and housing. A QMHP also will be included if the prisoner has a history of mental illness during his/her incarceration; at a reception facility, a QMHP must be included if the prisoner has been identified as being in need of mental health services.

Services means any function performed for the benefit of the State.

SLA means Service Level Agreement.

Source Reduction means any practice that reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment prior to recycling, energy recovery, treatment, or disposal.

Special Alternative Incarceration Facility (SAI) is an alternative to prison for male and female inmates and probationers (called trainees) who meet specified eligibility criteria related to their offense and who are selected by courts. This military-type program is designed to teach positive values and attitudes. There is a maximum of 530 trainees with the ability of up to 40 mental health placements, and only those with medical conditions controlled by medication may be cleared to participate in the program.

Specialty Network means a network of hospitals and ancillary care clinics and providers that will provide medical and behavioral health services to prisoners. Additionally, any specialty services that are provided through telemedicine would be considered part of the Specialty Network.

Specialty Provider means a group of physicians that provide specialized services to prisoners on-site, off-site, and/or through telemedicine. This refers to inpatient hospitalization, specialty care that is not done within the secure perimeter, emergency room visits, and providers that are brought inside Duane Waters Health Center to provide specialized services.

State means the State of Michigan, including its departments, divisions, agencies, sections, commissions, officers, employees, and agents.

State Location means any physical location within the State of Michigan common borders. State Location may include State-owned, leased, or rented space.

Step Down Medical Services is an intermediate-care unit which provides temporary placement of a person who has been discharged from a hospital, who needs minimal or no monitoring.

Subcontractor means a company selected by the Contractor to perform a portion of the services, but does not include independent contractors engaged by Contractor solely in a staff augmentation role. All subcontractors must be submitted in writing to the State for approval.

Telemedicine means an approach to providing medical consultations to prisoners utilizing a computerized system that allows the medical practitioner to have audio and visual communication from a remote location.

Transition Plan is a written document describing the Contract startup plan. This plan should document high level milestones, deliverables, key activities for the transition phase, critical tasks, and the person responsible for those

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tasks.

Treatment Plan is a written document generated by the appropriate health service provider which specifies the patient's diagnoses, problems, and short and long-term recommendations for needed health services.

Unauthorized Removal means the Contractor's removal of Key Personnel without the prior written consent of the State.

Urgent Dental Services are the dental services determined by a Dentist to be medically necessary and generally applies to prisoners with facial swelling, oral facial trauma, profuse bleeding, or pain that cannot be controlled by mild pain medication (e.g. Tylenol). These conditions are not likely to cause death or irreparable harm, if not treated immediately.

Warm Hand Off is the transfer of health history and treatment information between correctional health providers and a community provider tasked with providing health care to the inmate once he or she is released. The purpose of a warm hand off is to ensure that the care plan established while the prisoner is in custody will continue without interruption when an inmate is released.

Work in Progress means a deliverable that has been partially prepared, but has not been presented to the State for approval.

Work Product refers to any data compilations, reports, and other media, materials, or other objects or works of authorship created or produced by the Contractor as a furtherance of performing the services required by the Contract.

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**EXHIBIT C - PRICING**

1. Price includes all costs, including, but not limited to: any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).

The risk share pricing consists of two components; base PPPM and a risk share base PPPM. The base PPPM will be the amount that is paid on a monthly basis by the 15th of the following month based on the census report that is received on the first day of the following month (i.e. July census report will be provided on August 1). The bidder must detail the components that make up the base PPPM rate. The base PPPM does not include the dental rates. The risk share base PPPM will be the sum of the specialty care and pharmacy components that will be used in the risk share reconciliation. Between the risk share target and the risk share cap the MDOC will share the costs. The bidders must propose what rate they will share risk with the department which includes identifying the risk share cap they propose.

The risk share component relates to specialty services (including on-site and off-site), pharmacy costs (net rebates and discount) and does not include on-site staffing for all contracted services, and the administrative/management fee. The risk share window will start with the base risk share PPPM (target) for specialty services and pharmacy, and must contain a cap of costs for the MDOC. The MDOC cap is reached when the total specialty costs and pharmacy reach the cap amount, and not when the MDOC costs reach the cap amount. Any claims that are Medicaid or Medicaid eligible will not be included in the risk share calculation.

The MDOC will share costs equally 50/50 with the Contractor in excess of the risk share base PPPM up to the point where the costs equal the cap. All costs in excess of the cap will be the responsibility of the Contractor. The MDOC will share savings 85/15 (85% to MDOC and 15% to the Contractor) with the Contractor when actual costs are below the target. No savings related to the Affordable Care Act will be included in the risk share reconciliation, i.e. Medicaid.

The risk share will be reconciled on a quarterly basis based on actual paid claims and expenditures paid during the reporting period, this does not include accruals.

Per Prisoner Per Month Breakdown (PPPM)	Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Total Base Contract Price
Onsite Medical Total (Exhibit A, 3.1, Section A)	\$52.51	\$53.66	\$55.17	\$56.67	\$58.44	\$276.45
On-site Behavioral Health Total (Exhibit A, 3.1, Section B)	\$22.89	\$23.37	\$23.98	\$24.59	\$25.33	\$120.16
Pharmacy Staffing at On-site Pharmacy at DWHC Total	\$1.68	\$1.71	\$1.76	\$1.80	\$1.85	\$8.80
Pharmacy Dispensing Fee per prisoner not per script Total	\$8.40	\$8.59	\$8.77	\$9.03	\$9.29	\$44.08
Pharmaceutical Costs Total (Exhibit A, 3.1, Section C)	\$54.53	\$55.74	\$57.08	\$59.68	\$62.42	\$289.45
Specialty Care (onsite and offsite)	\$68.88	\$70.26	\$73.39	\$76.96	\$80.70	\$370.19
Specialty Care Access Fee	\$3.96	\$4.08	\$4.20	\$4.32	\$4.46	\$21.02
Specialty Care Total (Exhibit A, 3.1, Section J) <i>Total should include specialty care costs and specialty care access fee.</i>	\$72.84	\$74.34	\$77.59	\$81.28	\$85.16	\$391.21
Cost Allocations and Indirect Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Management Fee	21.05	21.50	22.19	23.05	23.98	111.77

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Base PPPM <i>(Sum of all the "total" rows highlighted in blue)</i>	\$233.90	\$238.91	\$246.54	\$256.10	\$266.47	\$1,241.92
Risk Share Base PPPM <i>(Sum of all the "Pharmaceutical Costs Total and Specialty Care Total")</i>	\$127.37	\$130.08	\$134.67	\$140.96	\$147.58	\$680.66
Risk Share Cap PPPM <i>(Maximum potential costs to the MDOC for Specialty Care and Pharmaceutical Costs)</i>	\$167.37	\$170.08	\$174.67	\$180.96	\$187.58	\$880.66
Total Base Contract Cost <i>(Base PPPM x 44,000)</i>	\$10,291,600.00	\$10,512,040.00	\$10,847,760.00	\$11,268,400.00	\$11,724,680.00	\$54,644,480.00
Total Annual Base Contract Cost	\$123,499,200.00	\$126,144,480.00	\$130,173,120.00	\$135,220,800.00	\$140,696,160.00	\$655,733,760.00

NOTE: The Base PPPM is based on 44,000 prisoners per month. This number may change and is not a guarantee of number of prisoners needing service.

Dental Price Information (Exhibit A, 3.1, A, 7)

Dentist Hourly Cost	\$128.34
Estimated Number of Hours	78,000 hours (2080 hours X 12.5 staff X 3 years)
TOTAL	\$16,684,200.00

NOTES:

- MDOC will not be responsible for reimbursing the Contractor on the \$50.00 Medicaid copay for claims. The Contractor will be responsible for this cost.
- There are no costs in the "Cost Allocations and Indirect Costs" line item in the above table as the Contractor considers all items as either direct costs in the medical, behavioral health, pharmacy staffing and pharmacy dispensing fees, or the costs are included in the management fee.
- The Risk Share Base and Risk Share Cap include only specialty care and pharmaceutical costs (acquisition cost less rebates and discounts). The Risk Share Base and Cap do not include costs associated with pharmacy staffing and dispensing.
- The prices above cover all Contract Activities as defined in Exhibit A of this Contract, based on current laws, regulations, and community standards of care.
- The cost for Optional Program Enhancements-Modular Unit – DWH: \$190,080.00 (\$4.32 Base PPPM first year). This cost is just for the installation of the project and does not include: equipment, beds, supplies or utilities necessary to run the geriatric services.
- The cost for Optional Program Enhancements-340(b) Pricing is as follows: Base PPPM (\$8.00) first year; (\$8.40) second year; and (\$8.80) third year. Alternate years will have to be mutually agreed upon by MDOC and the Contractor.

The Contractor will assume financial responsibility for the components listed below:

- Comprehensive services to include all medical and mental health provider services for the entire inmate population housed within the thirty one facilities identified in the Contract.
- Costs associated with maintaining a full complement of personnel.
- Costs associated with hospitalization, offsite and other contracted services, subject to the clarifications defined later in this document.
- Costs associated with the provision of pharmacy services, subject to the clarifications defined later in this document
- Office supplies, books and other direct administrative expenses required for our staff.
- All required licensure, permits, and fees.
- Reimbursement for long distance telephone services for our staff.
- 100% responsible of the actual costs that are above the risk share cap.

The Contractor includes the following costs as part of inpatient, outpatient and contracted services:

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- Inpatient hospitalization and associated physician/specialist fees
- Outpatient surgeries/procedures
- Emergency room services
- Laboratory services (offsite and reference services)
- Radiology interpretation services and offsite radiology services
- Onsite specialty clinics (medical services not specifically included in staffing plan)
- Contracted dialysis services
- Offsite physical therapy services (if required)
- Ambulance and other transportation services
- Off-site long-term facility and hospice care
- Off-site physician and other specialist services
- Network premiums and administrative fees

The Contractor accepts full responsibility for payment to outside providers (hospitals, ambulance, physicians, etc.) for the above contracted services. In order to facilitate payment of providers for services rendered, the Contractor requires limited MDOC offender demographic data for our QNXT claims processing system. The Contractor requests that the MDOC continue to furnish this information.

Medicaid and Other Third Party Payments

The Contractor remains committed to assisting the MDOC in efforts to coordinate benefits for inmates with Medicaid eligibility and other third party insurance, when available. The Contractor's experience shows that approximately 95% of the MDOC inmates have been Medicaid eligible.

Pharmaceuticals – Excluding 340(b) program

In accordance with the Contract specifications, the Contractor will assume financial responsibility for the cost of all medications prescribed by the Contractor, subject to the risk share arrangement. Costs charged to the risk share will be the acquisition cost of the pharmaceuticals, net of all rebates, discounts or price adjustments from the manufacturer and wholesaler. Subcontractor administrative fees will not be charged to the risk share. The Contractor will include within their monthly reporting a detail of all medications shipped by subcontractor(s) to the MDOC.

Subcontractors will take returns for all pharmaceuticals from MDOC based upon federal, State, and local laws and regulations. Credit for returned medications will be given to the MDOC in accordance with these guidelines, as well as subcontractor's standards for return and reuse of medications. The Contractor will issue credit for the quantities returned at the base price originally charged to the MDOC.

The Contractor defines Actual Acquisition Cost ("AAC") as the wholesaler invoice price based upon the last invoice received prior to orders for pharmaceuticals shipped from subcontractor's facilities. The AAC is net of price adjustments and up front discounts and is thus passed along as savings to the MDOC risk share as part of the utilization.

Rebate credits associated will be given to the MDOC as actual rebates are received (via wholesaler credit or by check payment) by the Contractor. Rebates will be allocated based upon the MDOC net drug utilization as a percentage of all subcontractor net utilization for the time period associated with the drug rebate.

Information technology

The Contractor anticipates the ability to utilize the MDOC's local area (LAN) and wide area (WAN) networks for connectivity of Contractor provided and MDOC provided computers both for administrative and clinical use. The Contractor assumes that this use will be at no charge to the Contractor before, during and after any Contracted dates for network, internet, infrastructure or other existing network components. Further, the Contractor will work closely with the MDOC to identify specific network QoS needs allowing for an acceptable end user experience while providing contracted services.

Changes in Scope

Should any of the following occur:

- (a) any applicable law, statute, rule regulation, standard, court order or decree, or any policy, practice, or procedure of any applicable governmental unit, agency or office (including, but not limited to the federal, State or local courts, legislative bodies, and agencies, including the State or its respective officers or agents) be adopted, implemented, amended, or changed; or if
- (b) any mandated standard of care or treatment protocol changes or evolves in any material respect, or if any mandated medication or therapy is introduced to treat any illness, disease or condition; or if

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- (c) any of the cost or historical information upon which the Contractor based its proposal proves to be inaccurate or incomplete

If any such change as described in subsections (a), (b), or (c) materially affects the cost to the Contractor of providing healthcare services or impacts the scope of services or staffing hereunder, the Contractor and the MDOC agree to negotiate compensation or service requirement changes. The parties agree to meet and negotiate in good faith within 30 days following the giving of notice by one party to the other party of a change (whether such change is anticipated or implemented).

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Exhibit D Service Level Agreements (SLAs) – Performance Metrics

Background

The MDOC will be utilizing a series of metrics to monitor Contractor performance. Each identified performance metric includes the information that will be assessed or an explanation of the numerator and denominator of the metric, the minimum threshold that needs to be met, and the service credit for not meeting the threshold. By utilizing metrics, MDOC will ensure that its service goals drive continuous improvement and efficiency.

The minimum threshold for each metric is assigned as part of the Contract, but will be reviewed with the Contractor, and may be revised on an annual basis (if needed). The metrics have been derived from key areas of the Contract which include timeliness of care for health care, mental health and dental services, pharmacy services, electronic medical record documentation, and credentialing and training.

Purpose and Objectives

The Performance Metrics defined in this Exhibit represent MDOC's expectations as they relate to important Contract obligations. These standards are based on current MDOC Policies, Protocols and Procedures, and represent the level of expected performance as it relates to providing services. These performance reviews will occur in the first six months of the Contract, but will not have a financial implication until the seventh month of the Contract to allow time for the Contractor to establish processes to ensure compliance.

Audit Process

The specifications listed under each metric name will be reviewed and audited according to the timetable listed on the last page of this Exhibit. The timetable also includes whether the metric will be audited at a facility or Statewide level. Audits will be conducted by MDOC staff, with specific data elements for the audit being shared with the Contractor prior to the audit. Records being audited include, but are not limited to: medical/mental health records, logbooks, staffing charts, time reports, prisoner grievances, and other requested documents as required to assess Contractor performance. Audits will be designed and performed according with the following standards:

- This Integrated Prisoner Healthcare Services Contract
- State of Michigan Rules and Regulations
- CARF Accreditation Standards
- MDOC Policies, Procedures, Protocols, Formulary, and Medical Services Advisory Committee Guidelines

The MDOC reserves the right to have the audit validated by their Third Party Reviewer. Service credits will be assessed after the Third Party Reviewer validates the audit findings. The Third Party Reviewer, as part of their review, will evaluate any related MDOC staffing vacancies or other factors beyond the Contractor's control to determine if they had significant impact upon the Contractor's ability to meet the performance metrics, and will take that into consideration when determining the Contractor's compliance. The Third Party Reviewer will also, as part of their review, accept and evaluate additional information provided by the Contractor, within the timelines of their review process.

Service Level Agreements that are determined to fall below the compliance percentage will be re-evaluated during the next audit period (monthly or quarterly). In the event they continue to fall below the threshold, the penalty amount will be double the original assessment.

A phased-in or tiered level of threshold compliance will be utilized as part of the process. This will allow for corrective actions and operational improvements to be implemented which will impact successive performance audits. Tier One represents thresholds for year one of the Contract and Tier Two represents all subsequent years of the Contract.

Corrective Action Plan

The Contractor must prepare and implement a corrective action plan (CAP) within 30 days for each metric that falls below the target or threshold. This does not, in any way, limit the State's ability to assess service credits where the metric falls below the minimum threshold.

CAPs will be provided in a standardized format throughout the Contract and will specify the following information:

- Compliance criteria
- Percent of compliance
- Specific description of deficiency
- Timeframe for corrective action
- Owner responsible for corrective action
- Completion date

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Medical Provider (MP) Timeliness of Care					
Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
1	Routine Nursing Referrals Exhibit A, Section A. 2.	Number of routine nursing referrals that were seen within five business days of when the appointment was scheduled	Number of routine nursing referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
2	Urgent Nursing Referrals Exhibit A, Section A. 2.	Number of urgent nursing referrals that were seen within one business day of when the appointment was scheduled	Number of urgent nursing referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
3	Emergent Nursing Referrals Exhibit A, Section A. 2.	Number of emergency nursing referrals that were seen immediately upon notification of the request by the prisoner or staff	Number of emergent nursing referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
4	Timeliness of Chronic Care Visits Exhibit A, Section A. 3. e and f.	Number of chronic care patients who were seen timely according to their chronic care condition (good/fair/poor)	Monthly patients in a chronic care clinic	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
5	Diagnostic Tests Exhibit A, Section A. 3. j.	Number of patients who received a diagnostic test that was reviewed within two business days from receiving test results	Number of patients who received a diagnostic test in the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00

Mental Health Timeliness of Care					
Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
6	Outpatient Treatment (OPT) Comprehensive Psychiatric Evaluation (CPE) Documentation Exhibit A, Section B. 3. b.	Number of OPT patients who received a CPE within 14 calendar days of being admitted to the program	Number of patients who were admitted to an OPT for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
7	Residential Treatment Program (RTP) (includes Secure Status Residential Treatment Program) CPE Documentation Exhibit A, Section B. 3. b.	Number of RTP patients who received a CPE within 14 calendar days of being admitted to the program	Number of patients admitted to an RTP for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
8	Adaptive Skills Residential Program (ASRP) CPE Documentation Exhibit A, Section B. 3. b.	Number of ASRP patients who received a CPE within 14 calendar days of being admitted to the program	Number of patients admitted to an ASRP for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00

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9	Mental Health Medication Renewals Exhibit A, Section B. 3. b.	Number of prisoners who were seen by the provider prior to their medications expiring	Number of prisoners with expiring medications for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
10	Acute Care CPE Documentation Exhibit A, Section B. 3. b.	Number of Acute Care patients who received a CPE within one business day of transfer into the program	Number of patients admitted to Acute Care for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
11	Crisis Stabilization Program (CSP) CPE Documentation Exhibit A, Section B. 3. b.	Number of CSP patients who received a CPE within 24 hours of transfer into the program	Number of patients admitted to CSP for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
12	Rehabilitative Treatment Services (RTS) CPE Documentation Exhibit A, Section B. 3. b.	Number of RTS patients who received a CPE within 7 calendar days of transfer into the program	Number of patients admitted to RTS for the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
13	Abnormal Involuntary Movement Scale (AIMS) Documentation Exhibit A, Section B. 3. b.	Number of patients from the denominator who had an AIMS completed timely (six months if in RTS or Acute Care and 90 days if in CSP)	Number of patients who had an AIMS completed during the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
14	Mental Health Medication Reviews Exhibit A, Section B. 3. b.	The number of patients from the denominator who needed their medications reviewed, and were done so according to the specified timeframe	Number of mental health patients on mental health medications during the quarter (Jan-Mar, Apr-Jun, Jul-Sep, Oct-Dec)	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
Dental Timeliness of Care					
15	Urgent Dental Referrals (For Contractor Dentists) Exhibit A, Section A. 7	Number of urgent dental referrals that were seen within 24 hours of when the appointment was scheduled	Number of urgent dental referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00

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Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
16	Emergency Dental Referrals (For Contractor Dentists) Exhibit A, Section A. 7	Number of emergency dental referrals that were seen immediately upon notification of the request by the prisoner or staff	Number of emergency dental referrals for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
Pharmacy Services					
17	Mail Order Prescriptions Exhibit A, Section C. 2. f.	The number of prescriptions (routine and emergency) that were received timely	Total number of mail order prescriptions sent on a monthly basis	Year 1 – 90% Subsequent years – 95%	Tier 1: \$5,000.00 Tier 2: 10,000.00
18	Medication Returns - The credit for every eligible returned medication is reconciled to the month the medication was returned. Medications must be returned by the 25 th day of the month to count towards that month's reconciliation Exhibit A, Section C. 5. g.			Year 1 – 90% Subsequent years – 95%	Tier 1: 0.5% of monthly Statewide pharmacy invoice 1.0% of monthly Statewide pharmacy invoice
19	Medication Error Rate- The Statewide medication error rate is not more than 0.05 Exhibit A, Section G. 8.			Compliance Rates: 99.5% - 99.95% 99% - 99.5% Under 99%	Tier 1: 0.5% of monthly Statewide pharmacy invoice Tier 2: 1.0% of monthly Statewide pharmacy invoice Tier 3: 5.0% of monthly Statewide pharmacy invoice
Claims Processing					
20	Monthly Claims File Submission – The monthly claims file is submitted on or before the 20 th day of the following month and without errors Exhibit A, Section N. 2.			100% for all years	\$10,000.00 for each occurrence

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Number	Metric Name/Description	Numerator	Denominator	Minimum Threshold	Credits
21	Claims Reconciliation – Any claim identified from the monthly claims file that is paid by the Contractor that does not reconcile to the respective monthly census report Exhibit A, Section N. 3.			100% for all years	Repayment for the value of the claim paid plus \$500.00 for each claim
EMR Documentation					
22	Telemedicine Documentation Exhibit A, Section O. 6.	Number of telemedicine encounters entered in the Electronic Medical Record (EMR) by close of business on the day of the encounter	Total number of telemedicine encounters for the month	Year 1 – 90% Subsequent years – 95%	Tier 1: \$2,000.00 Tier 2: \$3,000.00
Training and Credentialing					
23	Credentialing – All contracted personnel are appropriately licensed, registered or certified in the State of Michigan to practice and prescribe in their respective discipline Exhibit A, Section F. 2.			100% for all years	\$100,000.00 per occurrence
24	Training – All contracted personnel must complete MDOC New Employee training, MDOC Annual training, and any Continuing Education Courses that are needed to maintain licensure Exhibit A, Section F. 3, and Section 3.3. 2. g.			100% for all years	\$1,000.00 for each staff member that does not complete the training

Timeframe of Audits

Timeframe	Activity	Type of Audit
Monthly	SLA: Medical Provider Timeliness of Care SLA: Dental Timeliness of Care SLA: Pharmacy Services SLA: Claims Processing SLA: EMR Documentation	Facility Facility Facility (SLA: Mail Order Prescriptions) Statewide (SLA: Medication Returns and Medication Error Rate) Statewide Facility
Quarterly	SLA: Mental Health Timeliness of Care	Statewide
Annual	SLA: Credentialing and Continuing Education	Statewide

Note: All audits will be completed within six months of their due date.

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**Exhibit E
Backup Pharmacies**

MDOC Facility Name	EHO Backup Pharmacy	Location	Availability	Distance from Site	Delivery
GUS HARRISON CORR. FAC.	WALGREENS	ADRIAN	8 AM - 10 PM M-F 9AM - 10 PM SUN	2.3 Miles	Courier
	RITE AID	ADRIAN	8 AM -10 PM DAILY	2.8 Miles	Courier
BARAGA MAXIMUM CORR. (AMF)	L'Anse Pharmacy Inc	L'Anse	8:30 AM-5:30 PM M-F	4 Miles	Free M-F
	Shopko Pharmacy	L'Anse	9 AM-6PM M-F 9AM -2:30 PM Sat	4.1 Miles	Free M-F
CARSON CITY EAST (DRF - E)	CARSON APOTHECARY SHOPPE	CARSON CITY	9 AM-6PM M-F 9AM - 12 PM SAT	2 Miles	Free M-F
CARSON CITY WEST (DRF - W)	RITE AID #1528 - 70985	CARSON CITY	8 AM -10 PM DAILY	1.7 Miles	Courier
SPCL ALT INCARCERATION (SAI)	CHELSEA PHARMACY	CHELSEA	8 AM - 6:30 PM M-F 9 AM -2 PM SAT	5.1 Miles	Free
	GRASS LAKE COMMUNITY PHARMACY	GRASS LAKE	9 AM-7 PM M-F 9AM-12 PM SAT	14.3 Milse	Free
FLORENCE CRANE CORR FAC (ACF) LAKELAND CORR FACILITY (LCF)	FELPAUSCH PHARMACY	COLDWATER	9 AM-7PM M-F 9AM - 5 PM SAT	3 MILES	Free Before 11 AM
	WALGREENS	COLDWATER	8AM-10PM M-F 9AM-6PM SAT 10AM-6PM SUN	3.6 MILES	Courier
DETROIT DETENTION CENTER (DDC)	CAREMAX PHARMACY	HAMTRAMCK	10 AM-6PM M-F 11AM-3PM SAT ON CALL SUN	2.9 MILES	FREE
DETROIT REENTRY CENTER (DRC)	WALGREENS	DETROIT	8AM-10PM M-F 9AM-6PM SAT 10AM-6PM SUN	7 MILES	Courier
SAGINAW CORR FAC (SRF)	FREELAND PHARMACY (Note: Already Delivers to the Facility)	FREELAND	9AM-7PM M-TH 9AM-6PM FRI 9AM-2PM SAT	1.8 MILES	FREE

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BELLAMY CREEK CORR FAC (IBC)					
IONIA MAXIMUM CORR FAC (ICF)	RITE AID PHARMACY #4326	IONIA	8AM-10PM DAILY	2 MILES	Courier
MICHIGAN REFORMATORY (RMI)	WAL-MART PHARMACY #10-5411	IONIA	9AM-9PM M-F 9AM-7PM SAT 10AM-6PM SUN	5.1 MILES	Courier
RICHARD HANDLON - RTP UNIT -	WALGREEN DRUG STORE #07952	IONIA	8AM-10PM M-F 9AM-6PM SAT 10AM-6PM SUN	4.2 MILES	Courier
C-UNIT C WING (EGELER-CHARLES)					
DUANE WATERS HCC (DWH)	ALLEGIANCE HEALTH PHARMACY #7743	JACKSON	7AM-10 PM M-F 9AM-5PM SAT-SUN	3.9 MILES	Courier
EGELER-CHARLES RGC (RGC)	KROGER FOOD & DRUG #18680	JACKSON	9AM-9PM M-F 9AM-6PM SAT 10AM-6PM SUN	3.5 MILES	Courier
G. RBT COTTON CORR FAC. (JCF)	RITE AID PHARMACY	JACKSON	9AM-9PM M-F 9AM-6PM SAT 10AM-6PM SUN	4.2 MILES	Courier
PARNALL CORR FACILITY (SMT)					
KINROSS CORR FACILITY (KCF)	RITE AID #4579 - 70985	SAULT SAINT MARIE	9AM-9PM M-F 9AM-6PM SAT 10AM-6PM SUN	17 MILES	Courier
CHIPPEWA EAST (URF - E)	ARFSTROM PHARMACY	SAULT STE MARIE	9 AM-7PM M-F 9AM - 5 PM SAT	17	FREE
CHIPPEWA WEST (URF - W)					
PUGSLEY CORR. FACILITY (MPF)	KINGSLEY PHARMACY	KINGSLEY	9 AM-6PM M-F 9AM - 1 PM SAT	6 MILES	FREE
THUMB CORR FAC (TCF)	ADVANCED CARE PHARMACY	LAPEAR		4.7 MILES	Fee for Delivery
	ARBOR DRUGS #8235	LAPEER		4.6 MILES	Fee for Delivery
	BALDWIN DRUGS	LAPEER	9AM-5PM M-F 9AM-1PM SAT 10AM-1PM SUN	4.5 MILES	FREE

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OAKS CORR. FAC. (ECF)	RITE AID #1765 - 70985	MANISTEE	9AM-9PM M-F 9AM-6PM SAT 10AM-6PM SUN	7 MILES	Courier
	WALGREENS #11310	MANISTEE	8AM-10PM M-F 9AM-6PM SAT 10AM-6PM SUN	6 MILES	Courier
OJIBWAY CORR FAC (OCF)	Wakefield Pharmacy	Wakefield	9AM-5PM M-F 9AM-1PM SAT	19 MILES	Courier
MARQUETTE BRANCH PRISON (MBP)	PENINSULA PHARMACY PLUC LLC	MARQUETTE	8AM-5PM M-F 9AM-12PM SAT	4 MILES	FREE
	SNYDER DRUG #6234	MARQUETTE	8AM-5PM M-F 9AM-12PM SAT	2.3 MILES	Courier
	WALGREEN'S #12776	MARQUETTE	8AM-10PM M-F 9AM-6PM SAT 10AM-6PM SUN	5 MILES	Courier
ALGER MAXIMUM CORR. (LMF)	PUTVIN DRUG STORE	MUNISING	9 AM-6 PM M-F 9 AM-4 PM SAT	2.6 MILES	Courier
	SNYDER PHARMACY	MUNISING	8AM-5PM M-F 9AM-12PM SAT	< 3 MILES	Courier
E.C.BROOKS CORR. FAC. (LRF)	HACKLEY PHARMACY #1386	MUSKEGON HGTS	8AM-5PM M-F	3.5 MILES	FREE
MUSKEGON CORR. FAC. (MCF)					
WEST SHORELINE CORR FAC. (MTF)					
MACOMB CORR. FAC. (MRF)	RITE AID PHARMACY #04022	NEW HAVEN	9AM-9PM M-F 9AM-6PM SAT 10AM-6PM SUN	2.8 MILES	Courier
NEWBERRY CORR. FAC. (NCF)	NEWBERRY HOMETOWN PHARMACY	NEWBERRY	9 AM-6 PM M-F 9 AM-3 PM SAT	3.2 MILES	FREE
CENTRAL MI CORR FAC (STF- E)	VCARE PHARMACY	ST. LOUIS	10 AM-5PM M-F	1.6 MILES	FREE
CENTRAL MI CORR FAC (STF- W)					
ST LOUIS CORR FAC (SLF)					

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WOODLAND CORR CNTR MAXY (WCC)	CVS PHARMACY #05741	WHITMORE LAKE			
	SAV-MOR #054	WHITMORE LAKE			
WOMENS HURON VALLEY CORR (WHV)	BAILES PHARMACY INC	YPSILANTI			
	BARRON PHARMACY	YPSILANTI			
	KROGER FOOD & DRUG #16520	YPSILANTI			
	WALGREENS PHARMACY #11156	YPSILANTI	8AM-10PM M-F 9AM-6PM SAT 10AM-6PM SUN		

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Exhibit F
Optional Program Enhancements

Enhancement Area (please select from the options below):

- ☐ On-Site Medical Care
- ☐ On-Site Behavioral Health Services
- ☐ Pharmaceutical Services
- ☐ Complex Case Management
- ☐ Population Health Management
- ☐ On-Site Medical, Behavioral Health and Pharmacy Staffing
- ☐ Prescription Drugs and Medication Management
- ☐ Pharmacy Audit Functions
- ☐ Emergency Transport Services
- ☐ MDOC Inpatient Services
- ☐ Off-Site Services
- ☐ Utilization Management Program for Health Care and Behavioral Health Services
- ☐ Health Care and Behavioral Health Utilization Management Requirements
- ☐ Utilization Management Program for Pharmaceutical Services
- ☐ Claims Processing
- ☐ Electronic Medical Record
- ☐ Electronic Medication Administration Record
- ☐ Reentry and Discharge Planning
- ☐ Performance Improvement/Quality Assurance
- ☐ Telemedicine/Off-Site Transportation
- ☐ Prison Rape Elimination Act of 2003 (PREA)
- ☒ Strategic Initiatives and Opportunities

Please address the following questions:

Problem or opportunity to be addressed:

- The MDOC's aging population, increasing number of chronically ill and terminally ill patients who need specialized care and cannot be served in the general population tend to fill up infirmary and transitional beds.
- Older people arriving in the institution may already have serious physical/mental health issues.
- Aging offenders may develop or experience hearing or visual impairment, which can result in more difficulty appropriately responding to directives given by staff. This may result in more conduct violations and placement in segregation beds.
- Patients may have more difficulty ambulating from one location to another and require more time to properly eat their meals.
- The need for staff (healthcare and custody) to take into consideration the aging process to avoid dealing with any issues as the offender's deliberate failure to follow rules.
- Real and potential issues involving more aggressive offenders preying upon vulnerable, older offenders. These kinds of issues also present themselves to probation and parole officers as they supervise older offenders.

Proposed approach

The Contractor is aware of the MDOC's desire to develop a long term care unit to assist in managing this specialized and growing population. The Contractor recently partnered with Corrections Corporation of America in responding to the MDOC RFI for designing, building and operating such a facility. The Contractor proposed solution here includes the Creation of a Long Term Care Unit to provide care for aging and chronically ill offenders.

Resources required to implement recommendation

The purchase and furnishing of a 14,245 square foot modular health care building to be installed at Duane Waters Health Center with 100 beds for the chronically and terminally ill in need of long term nursing care and the addition of skilled nursing staff and ambulatory clinics with support services as needed, all contained within the modular unit. This is a concept the Contractor has recently proposed in contracts with the Alabama Department of Corrections and Missouri Department of Corrections.

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The unit, while modular, is intended to be long term solution that can be physically located on the property of Duane Waters. The Contractor is confident there is adequate space at Duane Waters to accommodate such a unit. There are details that will need to be finalized with MDOC, including location and foundation for the unit, the running of water and electricity to the unit, security and healthcare staffing. However, the Contractor is confident this is an extremely cost effective method of achieving the MDOC's goals of creating such a unit.

Below is a photo that depicts a similar unit to the type of unit the Contractor is proposing:



The cost of this unit, including the 14,245 square foot modular unit, all necessary equipment and 100 beds for long term care, is in Exhibit C-1, Pricing – Program Enhancements. As an Optional Program Enhancement, this cost has not been included in our proposed pricing for this Contract.

Following is a sample blueprint of the layout:



Expected outcomes from recommendation, including cost savings if applicable

- Better care, more stability, fewer emergencies for geriatric, chronically ill and terminally ill patients.
- Cost savings from freed up availability of infirmary beds, which reduces or eliminates need for off-site care because of unavailable beds, and thus reduces the need for security staff to accompany patients.
- Cost-effectiveness of keeping aging offenders incarcerated rather than releasing them to community facilities.
- In many cases these offenders are difficult to place in public facilities and many have no family or outside support. In the great majority of cases taxpayers are going to pay for medical and mental health care for older offenders. These funds need to be spent in the most effective way possible.

Metric to monitor the outcomes

- Reduction in Emergency Department and Inpatient hospital events as compared to this same population currently in general population or infirmary beds.

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- Overall reduction in Length of Stay (LOS) for off-site hospitalizations as this long term care unit frees up additional infirmary beds.

Exhibit F (continued)
Optional Program Enhancements

Enhancement Area (please select from the options below):

- ☐ On-Site Medical Care
- ☐ On-Site Behavioral Health Services
- ☒ Pharmaceutical Services
- ☐ Complex Case Management
- ☐ Population Health Management
- ☐ On-Site Medical, Behavioral Health and Pharmacy Staffing
- ☐ Prescription Drugs and Medication Management
- ☐ Pharmacy Audit Functions
- ☐ Emergency Transport Services
- ☐ MDOC Inpatient Services
- ☐ Off-Site Services
- ☐ Utilization Management Program for Health Care and Behavioral Health Services
- ☐ Health Care and Behavioral Health Utilization Management Requirements
- ☐ Utilization Management Program for Pharmaceutical Services
- ☐ Claims Processing
- ☐ Electronic Medical Record
- ☐ Electronic Medication Administration Record
- ☐ Reentry and Discharge Planning
- ☐ Performance Improvement/Quality Assurance
- ☐ Telemedicine/Off-Site Transportation
- ☐ Prison Rape Elimination Act of 2003 (PREA)
- ☐ Strategic Initiatives and Opportunities

Problem or opportunity to be addressed

High cost of pharmaceuticals, particularly for treatment of HIV and Hepatitis C.

Proposed approach

Implementation of a 340B Pharmacy Program.

The Contractor has initiated discussions with two 340B covered entities, McLaren Greater Lansing Hospital in Lansing and Hayes Green Beach Memorial Hospital located in Charlotte, Michigan. The Contractor currently uses both McLaren Greater Lansing Hospital and Hayes Green Beach Memorial Hospital as part of their off-site network and it is the Contractor's intent to continue discussions upon Contract award and enter into a contract with either McLaren Greater Lansing Hospital or Hayes Green Beach to provide services related to HIV and Hepatitis C treatment and access their 340B pricing upon Contract award.

1. Resources required to implement recommendation
The Contractor is proposing to use existing resources of the Contractor, McLaren Hospital and Hayes Green Beach for the provision of services related to HIV and Hepatitis C treatment. These resources will then be used to access the McLaren and/or Hayes Green Beach existing 340B agreement as a covered entity to provide discounted pricing associated with the provision of medications for the treatment of HIV and Hepatitis C.
2. Expected outcomes from recommendation, including cost savings if applicable
Implementation of a 340B program has the potential to generate significant savings for the MDOC. It is the Contractor's expectation that such an agreement will provide savings related to HIV and Hepatitis C medications in the range of 30-50% with the reduced cost ultimately being reflected in the risk share per diem.
3. Metric to monitor the outcomes
Cost of medications for the treatment of HIV and Hepatitis prior to and after the implementation of the Contract with the 340B covered entity.

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STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT ("**Contract**") is agreed to between the State of Michigan (the "**State**") and TBD ("**Contractor**"), a TBD. This Contract is effective on May 1, 2016 ("**Effective Date**"), and unless terminated, expires on May 31, 2021. The period of May 1, 2016, through May 31, 2016, will be for implementation and transition for the Contractor; no payment will be made to the Contractor during this period. The Contractor must begin providing all services, without interruption, on June 1, 2016.

This Contract may be renewed for up to five additional one-year periods. Renewals must be by written agreement of the parties.

The parties agree as follows:

- Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Exhibit A – Statement of Work** (the "**Contract Activities**"). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Exhibit A. Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State's operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State's quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach. Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Michael Kennedy 525 West Allegan St. Lansing, MI 48929 kennedym6@michigan.gov (517) 284-6397	Frank Fletcher, Vice President 12647 Olive Blvd. St. Louis, MO 63141 frank.fletcher@corizonhealth.com 313.919.9108

- Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms and conditions of this Contract (each a "**Contract Administrator**"):

If to State:	If to Contractor:
Michael Kennedy 525 West Allegan St. Lansing, MI 48929 kennedym6@michigan.gov (517) 284-6397	Frank Fletcher, Vice President 12647 Olive Blvd. St. Louis, MO 63141 frank.fletcher@corizonhealth.com 313.919.9108

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4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a "Program Manager"):

If to State:	If to Contractor:
Marti Kay Sherry sherrym@michigan.gov 517.373.9143	Mason Gill Mason.Gill@corizonhealth.com 517.827.3200

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Exhibit A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by an company with an A.M. Best rating of "A" or better and a financial size of VII or better.

Insurance Type	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 04; (2) include a waiver of subrogation; and (3) for a claims-made policy, provide three years of tail coverage.
Umbrella or Excess Liability Insurance	
<u>Minimal Limits:</u> \$10,000,000 General Aggregate	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds, and (2) include a waiver of subrogation.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$5,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Cyber Liability Insurance	
<u>Minimal Limits:</u> \$5,000,000 Each Occurrence	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its

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\$5,000,000 Annual Aggregate	departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Medical Malpractice Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence \$10,000,000 Annual Aggregate <u>Deductible Maximum:</u> \$1,000,000 Each Occurrence	

If any of the required policies provide claims-made coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within five business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Reserved.**

8. **Reserved.**

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.

10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.

11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.

12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.

13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State.

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Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation, provide all necessary documentation and signatures, and continue to perform, with the third party, its obligations under the Contract.

14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Exhibit A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Exhibit A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Reserved.**

18. **Reserved.**

19. **Reserved.**

20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Exhibit A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Contract Activities purchased under the Contract are for the State's exclusive use. Prices are exclusive of all taxes, and Contractor is solely responsible for payment of any applicable taxes.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

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Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Exhibit A.
22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

24. **Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 120 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
26. **General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right

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of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. **Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
28. **Limitation of Liability.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
29. **Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
30. **Reserved.**
31. **State Data.**
 - a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
 - b. **Contractor Use of State Data.** Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in

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accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.

- c. Extraction of State Data. Contractor must, within one business day of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. Backup and Recovery of State Data. Unless otherwise specified in Exhibit A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Exhibit A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two hours at any point in time.
- e. Loss of Data. In the event of any act, error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than 24 hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than 24 months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (g) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and, (h) provide to the State a detailed plan within 10 calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. This Section survives the termination of this Contract.

32. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, though, or on behalf of, the receiving party). For purposes of this Contract,

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in all cases and for all matters, State Data is deemed to be Confidential Information.

- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within five calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any non-State Data Confidential Information is not feasible, such party must destroy the non-State Data Confidential Information and must certify the same in writing within five calendar days from the date of termination to the other party.

33. Data Privacy and Information Security.

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. Audit by Contractor. No less than annually, Contractor must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- c. Right of Audit by the State. Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and

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information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.

- d. Audit Findings. Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- e. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

34. **Reserved.**

35. **Reserved.**

36. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for seven years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.
38. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
39. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
40. **Reserved.**
41. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms,

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conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.

42. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
43. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
44. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
45. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
46. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
47. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
48. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
49. **Order of Precedence.** In the event of a conflict between the terms and conditions of the Contract, the exhibits, a purchase order, or an amendment, the order of precedence is: (a) the purchase order; (b) the amendment; (c) Exhibit A; (d) any other exhibits; and (e) the Contract.
50. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
51. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
52. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
53. **Entire Contract and Modification.** This Contract is the entire agreement and replaces all previous agreements between the parties for the Contract Activities. This Contract may not be amended except by signed agreement between the parties (a "Contract Change Notice").